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FBIS-EEU-95-019 *30 January 1995*

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General: Relations With U.S. Army 'Excellent'

AU2801213195 Tirana TVSH Television Network in Albanian 1900 GMT 28 Jan 95

[Report by Aferdita Selimi]

[FBIS Translated Excerpt] [Passage omitted] At a news conference General Sheme Kosova once again concluded that the joint Albanian-U.S. exercise has been received with special interest and that relations with the U.S. Army are excellent and are being strengthened in all military spheres. We would like to achieve this with other NATO countries. The Albanian Army is open to NATO countries and all those who strive for peace. [passage omitted]

Brigade General Harizi stated: [Begin Harizi recording] We will extend the experience of this exercise into the entire division, and all units will treat such an exercise, more complex in content, by coordinating it with other disciplines. [end recording]

At the end of the exercise, Defense Minister Zhulali met with foreign observers and U.S. military leaders to thank them for participating. Zhulali also expressed his readiness to boost cooperation. [passage omitted]

On behalf of the parliamentary defense commission, Chairman Azem Hajdari said: [Begin Hajdari recording] The Army's role, the reform that has been carried out, and this high-level cooperation demonstrate that the Albanian Army is a serious partner to be integrated into NATO. This enables us today, as a parliamentary commission, to support these actions that greatly increase the Albanian Army's credibility and account for the increase in the Army's defensive capability, thus creating a broader vision of the Army in rendering humanitarian aid and supporting people in cases of calamities, etc. These actions reveal a total commitment to increasing the defensive capability of Albania. [end recording]

Minister Zhulali also greeted the units that participated in the exercise and conveyed greetings from President Berisha. Mentioning the interest of U.S. Defense Secretary William Perry in organizing this exercise, Zhulali pointed out our Army's values and the fact that it has gained new dimensions both in increasing the homeland's defensive ability and participating in peacekeeping missions.

Greek Police Deport Refugees at Kakavije Point

AU2801160395 Tirana Radio Tirana Network in Albanian 1430 GMT 27 Jan 95

[FBIS Translated Text] The Albanian Telegraphic Agency [ATA] reports that over a three-day period, Greek police at the Kakavije checkpoint in Gjirokaster district have deported more than 800 refugees who were temporarily employed in Greece. More than 500 refugees were deported on 24 January. On 25 January that figure decreased to less than 200, and on 26 January to 120 people.

The deportees are [word indistinct] individuals without visas and official documents, but there were also cases of people with the usual documents who complained to the border police command. Later they were not only [words indistinct] again, but were thrown out of Greek doors in the same way as those who lacked visas and documents—Major Bashkim Haxhiaj, border police commander of the Kakavije checkpoint, told ATA.

Gorbachev Interview Assesses Events in Retrospect

95P20386A Tirana ZERI I POPULLIT in Albanian 20, 21, 22 Dec 94

[Interview in three installments with Mikhail Sergeyvich Gorbachev, former president of the Soviet Union, by Pavllo Gjidede in Moscow; date of interview not given]

[20 Dec pp 1, 3]

[FBIS Translated Excerpt]

[ZERI I POPULLIT] Former Kremlin chief Mikhail Gorbachev has been interviewed by an Albanian reporter for the first time, exclusively for ZERI I POPULLIT.]

[Gjidede] The office of Mikhail Gorbachev, the last president of the Soviet Union, is not far from the Academy of Finance and the headquarters of the government. ZERI I POPULLIT's request for an interview with the former chief of the Kremlin, creator of perestroyka and a winner of the Nobel Peace Prize, was warmly received. [passage omitted] Mikhail Gorbachev is currently chairman of the International Green Cross. He works all the time and is very busy but set no time limit for the interview.

[Gjidede] First of all Mr. Gorbachev, please excuse me for taking up your valuable time and accept my gratitude for giving me the privilege and satisfaction of interviewing you for the largest newspaper in Albania, ZERI I POPULLIT.

[Gorbachev] I too am pleased, and I would like to thank you for giving me the opportunity to communicate, by means of ZERI I POPULLIT, with the paper's readers and with the Albanian people, whom I honor and respect for their courage, patriotism, and independence; and I would like you to express to them my sincere feelings of solidarity.

[Gjidede] I would like to ask you about many things but am concerned about bothering you if the questions probe into your private life. Does Gorbachev sleep well? Was your spirit jolted by the secret, behind-the-scenes plotting, behind the back of the former socialist camp and behind the back of the people who trusted so much in the ideals of Socialism and Communism?

[Gorbachev] Yes, I sleep very well. [Passage omitted] I am a person with feelings, but I have never been a scandalmonger. I have always been frank, open and

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moral. An uncommunicative person is always hiding something. Silence is not always golden.

[Gjidede] Then how does Mikhail Sergeyvich explain all the talk in the press and propaganda organs accusing you of being a servant of foreign intelligence agencies and of upsetting the whole system to serve the West?

[Gorbachev] Talk is one thing; the truth something else. I believe and continue to believe that I was not the one, and we in the East not the ones, who called the West into our democratic processes, the processes that put an end to the Cold War and to dangerous blocs that could give rise to catastrophes and processses that eliminated nuclear weapons, etc., etc. [Passage omitted] A number of countries were very much interested. I know this very well. There was emphasis on the idea that the Soviet Union (or the Union, as we often called it) must not be destroyed or reformed but preserved as a decisive factor in general politics.

These countries were predominantly European. Mitterand believed this and so did Kohl and the Italians.

As far as I can remember only the Americans were hesitant. For them, it was good, very good, that there was no longer such a big country as the USSR, because they could not get over the fear they had of this superpower.

[Gjidede] Excuse me but do you not then feel responsible when they say that Mikhail Gorbachev sold out the socialist camp?

[Gorbachev] I know they are saying this. Let us say that Gorbachev sold out the Socialist camp and, even more: that he sold out the Warsaw Pact. I will give you the same response I have given other journalists: To whom did he sell it? Who bought it? Did he sell Czechoslovakia to the Czechs and Slovaks, Bulgaria to the Bulgarians, Poland to the Poles? I am not mentioning Albania because its positions are well-known. It had been out of the Warsaw Pact for a long time.

So, tell me who sold out the Socialist camp?

[Gjidede] So now we are faced with a reality we all know: The former socialist states are in limbo, or, as we say in Albania: They are like fish out of water. They are split and divided and have turned their backs on one another. Many joint projects are still unfinished, and it seems to me that those about whom you spoke earlier like it this way. Will one split be followed by other splits, or not, Mr. Gorbachev?

[Gorbachev] I think that if the Soviet Union had been preserved, the processes would have developed properly and the transformations to the new situations that were occurring almost daily—which should have been discussed and acted upon in the most mature manner—in respect to Europe and the rest of the world, in the places in which the Warsaw Pact operated would have taken place in a more intelligent manner, in a new way. Nevertheless, I still think that we must find roads to cooperation.

[Gjidede] Have you ever thought about Albania?

[Gorbachev] On many occasions...I knew a number of foreign students at Moscow University including some from Albania. The University had students from the four corners of the world. We lived in the same rooms, attended classes in the same auditoriums and took out books from the same library. We took exams together, became friends. The spirit of youth and of society was the spirit of the university. Optimism united us all.

Many years have passed but the years have not separated me from my feelings as a youth and a student, feelings of brotherhood and humanity. Youth is a time, but the heart keeps this time, this spark, for an entire lifetime.

[Gjidede] Mikhail Sergeyvich, I asked a question about Albania. What have been your thoughts about Albania?

[Gorbachev] Of course they have been good, with a strong desire for cooperation and progress.

[Gjidede] Do you have the same opinion today about relations between Russia and Albania and, if you were president, what would you do?

[Gorbachev] As regards bilateral relations between our two countries, I believe the attitude should be the same as for all other countries of East Europe, because in my opinion these countries should occupy an important place in Russian-European policy.

[Gjidede] Many people say that anyone who judges the past loses the present. What do you think about this?

[Gorbachev] In the past, unfortunately, there were many difficulties, deceptions, and suspicions in relations between our two countries. But I am convinced that neither Russia nor Albania will ever return to the old road. The restoration of full and real relations, with mutual confidence, between Russia and Albania is essential for both countries.

In my opinion, this should begin by establishing contacts between individuals in an honest and just manner. And then, on the basis of this, a structure of new relationships will be built, one that will be in keeping with the European standards, requirements and culture of today and tomorrow.

[21 Dec p 3]

[Gjidede] Many people here in Albania—and not only in Albania—have described perestroyka as a revolution. What does the person who conceived and designed perestroyka think about this description? [passage omitted]

[Gjidede] Mikhail Sergeyevich, in Albania things are still bad despite the fact that our president, Berisha, speaks at all sorts of national and international conferences. And they even say production in Albania has increased 18 percent. Factories and plants are not operating and thousands of emigres are working hard all over the

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world. People are buying and selling things using the scanty funds sent by the emigres, while Berisha's leadership is praised and is legitimized hither and yon, to the advantage of the powerholders.

[Gorbachev] I am convinced, and I am telling you with full certainty, that just as the communist model, a model that was supported by repression, was not successful in Russia and Albania or other East European countries, neither will imported capitalism produce any results.

We must travel a long road, and then we will see what kind of a system we will choose, what we will undo and what we will correct.

[22 Dec p 3]

[Gorbachev] Life will bear witness to this. No one can claim for himself this right that life has. My convictions are, and will remain, unshaken and socialist.

I have been—I repeat: have been—in favor of the evolution of reforms, while the current occupiers have become fast-racing cowboys. I have supported, and do support, the state's playing a role, especially in the case of our difficult and militarized economy—while they have cast away the state's regulating role and its functions in determining the economy.

[Gjidede] Please allow me to take advantage of the opportunity and the friendly atmosphere that Mr Gorbachev has created for me to ask a question which did not originate with me: Is there evidence of a restoration of the Soviet Union? If not, why not? If there is, in what sense?

[Gorbachev] [Passage omitted] Let me emphasize to you that 70-75 percent of the people in the Slavic countries are in favor of the Union. These figures come from polls taken during the past 3-4 months.

[Gjidede] So, they are for the Union of Soviet Socialist Republics?...

[Gorbachev] No, no; not at all. Never in that direction, with the dependent and closed system of the past; rather, in favor of an association, a new Union in which the concrete independence of the republics would dominate.

I would like to expand on this.

I believe that the collapse of the Soviet Union was a mistake. But this mistake can be corrected, if the long process of integration among the former Soviet republics were to begin now. The Union can be preserved. Now is the time for it to be integrated and preserved. [passage omitted]

[Gjidede] From what I have read, Mr. Gorbachev, you are very popular in the West and they even call you a folk hero, while here, in Russia ...

[Gorbachev] Let me continue your question: I do not have the same popularity here. Is that it?

[Gjidede] Yes, that is what I wanted ask you.

[Gorbachev] Not long ago, a number of writers met in a city to discuss their problems. One of them called me on the telephone and said to me: "We made a mistake when we let you leave the political scene. You were right. You were right for the people." Then a well-known writer picked up the receiver and continued, saying: "I wrote a disparaging article against you. Now I am seeking your forgiveness."

It seems to me that as serious and cultivated people, intellectuals are seeing what is happening in Russia; therefore, they think Gorbachev was right.

[Gjidede] Sociologists' polls give you a high marks as a great politician...

[Gorbachev] I know very well how these polls are prepared. For the most part, they are inventions to manipulate public opinion. This is all the more true now, when these kinds of polls are well paid for.

Let me be more concrete: The polls said that Gaydar would win. He came and went, but no one gave any figures for Zhirinovskiy. This happened in Belarus and in Ukraine.

[Gjidede] Since you mentioned Zhirinovskiy, let us pause for a moment here. Even our president, Berisha, often says: "The Zhirinovskiy phenomenon, the Zhirinovskiy phenomenon." Is this really a phenomenon, and what is your opinion about this?

[Gorbachev] It is a reaction of rightwing circles to the policy of the current president.

[Gjidede] Is that all it is?

[Gorbachev] It is a lot of froth. I do not see any effect on opinion or on the future. To tell the truth, little by little, it is disappearing.

[Gjidede] At a meeting with journalists you stated that you would be a candidate in the next presidential elections... [Gorbachev] No, for the time being, a real and strong and truly democratic initiative to this regime and to the extremists who have taken control of it and are hiding behind the government—children who hide behind their parents' coattails—must be created. The free and valuable opinions and forces should be united.

There are many of them. A coalition of democratic forces should be achieved. This what I am concerned with now.

[Gjidede] Maybe I am in error but, didn't you tell an American newsman that you would be running for president?

[Gorbachev] (laughing) I have been letting the Russians think about such a thing. I won't say anything about it. I will be silent. Anyone who is looking for me can find me...

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[Gjidede] Mikhail Sergeyvich, I read in the press your opinions about the new international order.

[Gorbachev] Yes. The future which we are seeking is a new civilization. [passage omitted].

[Gjidede] If I am not mistaken, wasn't this new order established in Malta at the Gorbachev-Bush meeting?

[Gorbachev] No. The liquidation of blocs began in Malta. Malta signaled the end of the Cold War. Now that this has been achieved, individuals and states have the right and the opportunity to choose their own road along which they can go forward with mature steps.

[Gjidede] [Passage omitted] Can a small country such as Albania choose its own road, or is this simply an illusion?

[Gorbachev] [Passage omitted] In the future, taking into account the reforms, the integration and the new relations among people, let me stress two principles: first, every people should choose its own road, its own variant; and, second, it should continually work to increase the balance of interests. All states should be part of the new civilization. I am in favor of the European process, the stability of European institutes, the idea of a united Europe, and the mechanism for coordinating security, cooperation, construction and progress. All have begun to remember the past. Each of us has friends in each other's country. We have friends in your country and you have friends in ours. It is true that there has been a drop in the number of Russian-language students, but this is of no importance. I think that the commission created for regulating cooperation among the East European countries—of which well-known figures, scientists, professors, etc. are members—is a very good thing. This is a reaction to the present situation. There are great opportunities for us and for you. There is a fight for markets, but we must take into account our interests and the interests of our peoples. I am not so naive to think that these things can be achieved quickly and easily.

[Gjidede] There has been much talk about Albania being put on the auction block at the Malta meeting...and they say that you were the one who made that statement...

[Gorbachev] This isn't the first time that I have heard such lies. I have believed, and continue to believe, the following: the Czech Republic should belong to the Czechs; Slovakia, to the Slovaks; Poland, to the Poles. Therefore, Albania belongs to the Albanians. It has been, and is, my desire that Albania remain free and independent. A respected people is living there, making its contribution to the future bloc that I mentioned earlier, the Russo-European bloc.

When I was president, I invited your president, Ramiz Alia, to come to Moscow but this visit never took place. [passage omitted]

[Gjidede] Will Russia join NATO?

[Gorbachev] In essence, NATO is a Western organization, an instrument in the hands of 16 countries. At present, there are 54 countries in Europe. Let NATO continue its work. Let all organizations exist. There is nothing bad about this. The Council on European Security [Organization for Security and Cooperation in Europe] should also continue its work. However, I am categorically opposed to the American plan, the "Partnership for Peace," which envisages cooperation with the countries of the former Warsaw Pact. [passage omitted]

[Gjidede] What does the former chief of the Kremlin think about the Balkan crisis?

[Gorbachev] I think that it is a serious crisis of the European process. The use of bayonets, guns, and airplanes in the conflict is very serious.

[Gjidede] But why do you say that it is a crisis of the European process?

[Gorbachev] Because Croatia and Slovenia declared their independence, while the large countries declared war. Everyone got involved. The Yugoslav countries did not have a chance to sit down at the conference table to discuss what was happening and what might happen and how they would proceed, what problems the nationalities would resolve together and separately. Then, gradually, as if no problems existed, they became members of the United Nations.

These were mistakes that were permitted by an erroneous policy.

[Gjidede] Who is an accomplice in the Balkan massacre? Is America involved, perhaps?

[Gorbachev] I haven't made up my mind. In my opinion, the Germans and the Austrians are involved. The hand of NATO can be seen. The Yugoslav crisis is the confirmation of the belief that there must be a mechanism for European cooperation.

[Gjidede] Now, a couple of short questions on what has been going on in Albania: Political trials continue in our country. Socialist Party leader Fatos Nano, the chairman of the largest opposition party, and former president Ramiz Alia, who is called "the little Gorbachev of the Balkans," were put in prison purely for political reasons; journalists were put in prison for writing the truth. What can you say about these actions?

[Gorbachev] Without going into details, let me say that all these things have also happened in our country, with the stifling of the organs of government and of the courts. The press and free speech have been stifled, and as a result a grandiose mafia has been created in Russia, one that makes the laws.

Why are they afraid to let Gorbachev speak on television? Why are they afraid to hear my views on the current situation, on the current Russian policies? It is not a matter of conflicts between Gorbachev and the

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Russian citizens but between Gorbachev and the guard of the powerholders. They are trying hard to hold on to the government because they are afraid of the truth, they are afraid of failure—and they are afraid because they have strayed too far from real reforms.

I am not excluding Albania from this situation. News of real reforms that are promised to the people pushes them into a morass and sows hatred and dissension.

People who do not have real democracy are political prisoners. Real democracy comes from freedom of speech and freedom of the press. Anyone who does not have respect for real reformers does not have respect for the people, for the country, and for the civilization that is so necessary for Albania, Russia, Europe and the entire world.

[Gjidede] In Albania, the practice of replacing ministers has become fashionable.

[Gorbachev] Making changes or eliminating some cadres is only a rudimentary activity that hides impotence. It is manipulation: instead of elections, there is shock reform; instead of a government, there is the mafia. That is why early elections are essential in countries in which there are such things. The current government does not have the right to be called democratic because the policy of this government does not respond to the interests of Russia or of the citizenry.

[Gjidede] Thank you for your interview, Mr. Gorbachev. I hope that this will not be our last meeting.

[Gorbachev] Let me take this occasion to express to the Albanian people my wishes for success on the difficult and irreversible road to democracy. It is my heart's desire that the time will soon come for me to visit your beautiful country.

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President Upbeat About Army Reforms, Direction

LD2901154495

[FBIS Editorial Report] Prague Radiozurnal Radio Network in Czech at 1315 GMT on 29 January carries an 11-minute recorded interview with Czech Republic President Vaclav Havel, presented by editor Robert Tamchnya. The interview is from the Conversations at Lany program. Reception is good.

Commenting on his recent informal meeting with senior Czech Army officers, Havel said: "I realize that, after all those complicated personnel changes, the Army is led by a relatively good team of younger generals who are willing to build the democratic army of a democratic state."

Speaking about the role of the Czech Army, Havel said: "What we need is for everybody, from the government to the last citizen, to come to realize that at present nobody is threatening us, no army is preparing to attack us, no state feels like having a go at us and attacking the Czech Republic. However, this does not mean that it is over for good, that peace will last forever, or that the Army can be disbanded.

"In four or five years' time, very dangerous situations could emerge. Let us hope they will not. Let us take into account the fact that at present at least two military confrontations are under way on European soil, although they are several hundred kilometers away from us. We do not know what could happen."

Commenting on his trip to attend the Auschwitz commemorations, Havel stressed that what happened there was beyond one's imagination and that this disbelief was normal and one should never get used to such things.

Government Discusses Principles of 'Press Law'

AU2801201795 Prague DENNI TELEGRAF in Czech 26 Jan 95 p 1

[Article by Vera Luptakova: "The Government Has Recommended the Approval of a 'Press Law'"]

[FBIS Translated Excerpt] Prague—The government yesterday discussed and recommended parliamentary approval for the draft principles of a law relating to the publication and dissemination of the periodical press and, within the parameters it defines, to the operators of television and radio broadcasting—the so-called "press law."

Deputy Culture Minister Michal Prokop said that "the law defines in a completely new way the accountability for publishing and disseminating the mass media. Compared with the current law, it determines categorically the publisher's integral responsibility for disseminating information." According to Prokop, the amendment to the law also lays down the rights of third persons—that is, the subjects of reports—to protection from libel. In a longer discussion, the government debated whether press distribution should be regulated by law or not. Following its debate, it inclined to the view that press distribution should not be specially regulated by law because this is more a matter of contractual relations and the market. The amendment to the law introduces three new institutes—the right to a correction, the right to an apology, and the right to reply.

According to the amendment, there will be a principle giving publishers the right to protect the source of their information. If, however, it "touches upon" the criminal law, this right will cease to be valid. The government also dealt with a much-discussed issue in media policy concerning cross ownership of the electronic media, and, in this sphere, the government is "at the moment maintaining a certain latitude depending on the stance parliament adopts on this issue," said Prokop. If it is approved by parliament, the amendment should become valid on 1 January 1996. [passage omitted]

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Meciar Interviewed About Trip to Brussels, Hungary

LD2701230795 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1700 GMT 27 Jan 95

[Interview with Slovak Prime Minister Vladimir Meciar by editor Jaroslav Reznik, Jr.; place and date not given—live or recorded]

[FBIS Translated Excerpt] [Jaroslav Reznik Jr.] [Passage omitted] You spent the first half of this week on working visits abroad. Your first stopover was in Brussels, where you held a series of meetings with leading European Union [EU] and Western European Union, NATO, and European Parliament officials, as well as talks with your Belgian counterpart, Jean-Luc Dehaene. The central subject was our integration into the West European structures. [passage omitted]

[Meciar] This trip was necessary in order to strengthen confidence, which has been eroded by various disinformation pressures. It was also necessary in order to give us an opportunity to declare our intention of implementing the integration program as a program of practical politics, as opposed to a vision. At the same time, we looked for support and long-term cooperation, perhaps an agreement, concerning this program because it is not within the powers of one individual state to implement it. [passage omitted]

This trip has yet another significance for our country's internal platform. Two myths are put to rest: the myth that it would be possible to isolate this government internationally, and the second one, that this government does not intend to strive for integration into the European Union.

[Reznik] In Brussels you said that our country would welcome an opportunity to participate in the 1996 EU intergovernmental conference as an observer. At the same time, I recall your words: If they told us tomorrow that we could join the European Union immediately, our economy would collapse within three months. What then, is your view of the process of our rapprochement to West European structures and out integration into them? I am asking you about the time scale.

[Meciar] We are in the phase of adopting strategic decisions. NATO is going to be enlarged, and we are one of the candidates. The Western European Union also envisions its enlargement, and we are one of the candidates. The European Union is also considering its enlargement, though there are very differentiated views within that body about this. [passage omitted]

Slovakia's economy has to overcome structural changes. It has to modernize its technology, attitudes to the market have to be transformed, and, above all, people have to be trained differently. [passage omitted]

Our idea and that held by the European Union are compatible but only within a longer time scale. We are declaring our intention immediately, and we are preparing ourselves immediately, but the integration itself, in the sphere of the economy, requires a longer time.

[Reznik] One of the keys that opens the door to the European Union and NATO is the resolution of relations with the neighboring countries because no one likes arguing parties in the company. You left for Hungary with an offer for historical reconciliation. According to the responses and commentaries, Budapest has accepted this offer. What, in your view, are the most important achievements of your trip to Budapest?

[Meciar] In Budapest I held talks with Hungarian Prime Minister Horn and government representatives, with parliament chairman Zoltan Gal, and with President Arpad Goencz. I held talks with the president twice. Our second meeting involved a long private discussion. I had similar talks with Prime Minister Horn the night before the official meetings.

I regard the results as very positive. Let us consider the resolutions. The decision concerning the water flow in the Danube was agreed to be a temporary one. Naturally, the Hungarian Government will have to overcome a certain resistance from the parliament, which has a different view on this issue. However, we have found common ground.

Another issue was the basic treaty. First, we were thinking about it in terms of two years, and eventually we agreed on 21 March 1995 as the date of signing. We also agreed that it would be a bilateral treaty between the governments and the states and the minorities.

Furthermore, we agreed on another important matter relating to minority rights, which is that we accept the general European standard and that our foreign ministers should, on 1 February, sign an agreement on minority rights that would be a document respected by both parties.

We also agreed on the need to develop a substantial program concerning economic relations and to ratify some of the documents already signed, as well as to adopt systems providing for mutual investments.

Understandably, we also paid attention to Gabcikovo-Nagymaros, but within realistic limits. We did not talk about The Hague court case, we did not discuss the validity of the agreement, yet we indicated some of our proposals on how to reach a solution.

It has to be appreciated that both parties are interested in developing mutual relations in a new way, especially with respect to Central Europe. By the way, we agreed that we would support one another in our steps toward admittance to the European Union. Previously, we faced a block [as heard], but it should be overcome thanks to this step,

Another positive development is that both the Hungarian and the Slovak government realize that, if the

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tension between the states continues, the door to European integration, when the strategic decisions are made, will be shut.

It was expressed beyond any doubt during my visits abroad that the European Union as well as NATO provides security guarantees against external threat. They do not need any sources of tension from within. Therefore, the external aspect of the talks is exceptionally important. I think we managed to make a historical breakthrough, and we agreed that, at a place determined by our foreign ministers, Prime Minister Horn and I will draw a line underneath the past of our nations.

[Reznik] [passage omitted]

Ethnic Hungarians Cautious

AU2901172595 Budapest NEPSZAVA in Hungarian 27 Jan 95 p 9

[Interview with Coexistence Movement Press Secretary Erzsebet Pogany, Hungarian Civic Party Chairman Laszlo A. Nagy, and Bela Sugar, chairman of the Hungarian Christian Democratic Movement, by Ference Kepecs in Bratislava; date not given: "The Hungarians in Bratislava Are Cautious"]

[FBIS Translated Text] After Vladimir Meciar's visit in Budapest, we talked with the Hungarian parties in Slovakia. The ethnic Hungarians in Bratislava spoke cautiously about the results.

Erzsebet Pogany, press secretary of the Coexistence Movement: There is too little time until 21 March. We accept that national minority rights will be stipulated in a separate document and that our representatives will not be present at the negotiations. We presume, however, that Budapest will also include our opinion in its negotiating position. The Bos issue should be left to the experts, and we welcome the opening of the border-crossing points.

Laszlo A. Nagy, chairman of the Hungarian Civic Party:

Meciar's promises in Budapest would mean a breakthrough if they were not contradictory to the Slovak Government program adopted last week. The gap between the Hungarian and Slovak positions regarding the national minority issue makes this agreement impossible to understand. I cannot imagine such a big change in the Slovak position, and I would not like to see such a big change in the Hungarian position. The March timing is important for French Prime Minister Balladur because he wants results regarding the European Stability Agreement during the French chairmanship of the European Union and before the presidential elections. Let there be two documents, but only if the two documents are related and are valid together. We accept that the representatives of the national minorities should not be present at the official talks, but we expect continuous consultations from both sides. It would not be fortunate if The Hague got involved in the background and the issue of the river power station became a bilateral issue again. The officials have already promised to open new border-crossing points, so I will believe it when I see it.

Bela Sugar, chairman of the Hungarian Christian Democratic Movement:

The optimism is exaggerated because, a few days ago, the representatives of the Slovak Government rejected the proposals that Meciar has now promised to accept. The timing of 21 March is too early. We would like to contribute to the formulation of the treaty. The court proceedings in The Hague are not good for Bratislava, either, so they would like to withdraw the issue from there. Border-crossing points should also be opened for international trucks.

Parliament Members Discuss President's Letter

LD2901202795

[FBIS Editorial Report] Bratislava STV 1 Television Network in Slovak at 1206 GMT on 29 January carries its regular roundtable discussion, "Steps" ["Kroky"], which lasts 80 minutes.

The following speakers participate in the discussion about the 4th session of Slovak parliament:

—Slovak parliament speaker Ivan Gasparovic of the Movement for a Democratic Slovakia

—Slovak parliament deputy speakers Augustin Marian Huska of the Movement for a Democratic Slovakia and Jan Luptak of the Association of Workers of Slovakia

—Jan Slota, parliament deputy for the Slovak National Party

—Peter Weiss, deputy for the Common Choice

—Ivan Simko, deputy for the Christian Democratic Movement.

The first part of the roundtable discussion, approximately 50 minutes long, concerns participants' views on the phenomenon of heated parliamentary debates. The general view is that this is a common feature in parliaments throughout the world.

The second part of the television discussion, approximately 30 minutes long, concerns parliament reaction to President Michal Kovac's answer to a letter from William Orme, the executive director of the U.S. Committee for the Protection of Journalists, which angered the government coalition deputies. An unidentified moderator sums up the entire affair, saying:

"Our viewers are probably aware of the case we are discussing. Mr. Orme has written a letter expressing fears for the development of democracy as regards the media in Slovakia. In his response, our president in fact confirmed some of Mr. Orme's information, which is considered by some to be inaccurate."

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In the television debate, Slovak National Party Chairman Jan Slota expresses surprise that President Kovac felt it necessary to answer Orme's letter at all—and at the same time had failed to turn up at parliament to explain his move to the deputies.

In this context, parliament Speaker Ivan Gasparovic, commenting on the president's letter, says:

"First of all, I have to say one thing: His letter was no doubt a mistake. His letter was a mistake, and the president should have simply appologized or offered some justification. It was probably a prefabrication prepared by the people around the president, and the president allowed himself to be led by their view."

Commenting on Orme's subsequent letter addressed to both the president and Gasparovic, Gasparovic says that Orme's response included once again untruthful allegations, and, therefore, he decides not to continue correspondence with Orme. In this context, Gasparovic stresses that he considered it the president's duty to come to parliament to explain his letter to the deputies.

Peter Weiss of Common Choice interrupts the discussion, recalling Vladimir Meciar's statement made before he became prime minister in 1994, making clear that the Slovak Television director was obeying the Movement for a Democratic Slovakia [HZDS] and that his party also had its own people working in other parts of the media.

Reacting to this, Ivan Gasparovic asks Weiss:

"What has changed in radio since the arrival of the new director, regardless of whether or not he is an HZDS member? What has changed? I think nothing."

Returning to the original question of Kovac's letter to Orme, Gasparovic says:

"I think the president was in a position to do a lot for Slovakia—a lot. To do a lot, similar to, as has been remarked at parliament, what President Havel has done in Bohemia, where there are scandals that really threaten democracy. I do not know if the allegations are true. And the president declared in his 'Conversations at Lany' [regular Sunday interview]: There is democracy in the Czech lands."

Jan Luptak, the chairman of the Association of Workers of Slovakia, takes a stance on this, saying:

"I think that journalists enjoy too much democracy in our country. There is a need for journalists to criticize politicians, deputies, and citizens. However, they should not belittle them, humiliate them [word indistinct]. But this happens in our country."

After complaining about the way journalists have treated him, Luptak goes on to say:

"I think that this is too much democracy. I think democracy has to have its limits. And, as regards Mr. Orme and many others from the West willing to fight for democracy, why don't they ask how many unemployed people there are in our country, how people in our country live? He has never asked such questions."

The roundtable discussion is concluded by Gasparovic, who speaks about a resolution adopted by parliament concerning Kovac's letter:

"The resolution is of a moral and political character. The resolution does not tell the president he has to leave his post, that he has to resign from his post, or that we are going to dismiss him from his post."

Kozlik Defends Policy Statement's Objectives

AU2901174995 Bratislava NARODNA OBRODA in Slovak 25 Jan 95 pp 1, 3

[Interview with Sergej Kozlik, deputy prime minister and finance minister, "prepared by" Igor Zvach; place and date not given: "Sergej Kozlik: The Policy Statement Also Expresses the Degree of Risk the Government Must Take"]

[FBIS Translated Text] Bratislava—The Slovak Government's policy statement has certainly been the hot[illegible] topic of recent days. Therefore, in presenting the [illegible] vidual members of the Slovak Government, we tu[illegible] only to Sergej Kozlik, deputy prime minister and finance minister, during its debate in the National Council of the Slovak Republic committees and plenum. We proceeded from the premise that, at this time, he would be able not only to characterize the government's objectives, but also to react to the questions raised during the discussion on this document.

[NARODNA OBRODA] Mr. Deputy Prime Minister, everything indicates that the government's policy statement differs partly from all the previous ones, but, for this very reason, it has also attracted more attention and provoked a number of arguments. In your opinion, what does its exceptionality consist of, and, briefly, how can it be characterized?

[Kozlik] Its exceptionality consists of the fact that this is the first policy statement of the sovereign Slovak Government that was formed on the basis of the free elections held in the newly established sovereign state. All the previous policy statements were either prepared by governments that, after 1989, still operated under the conditions of the federal arrangement of the former CSFR or formulated other than on the basis of the citizens' free will. This means that these policy statements could not respect to an adequate extent the economic and political sovereignty of Slovakia.

There is another specific feature here. It, by the way, follows from what has already been said. Right up until the republic's division and because it took place along with the transformation of the state's social, political, and economic life, it was necessary to respect certain specific features of the joint republic; it was impossible

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to take Slovak priorities fully into consideration. We had to respect those things that were a consequence of common existence and common problems. For example, the decline in the economy's output, the enormous rise in inflation, insufficient foreign currency reserves, the rise in unemployment stemming from the economy's uncoordinated structure, and so on. This means that it was necessary to adapt ourselves to overall restriction. Therefore, the previous economic programs can also be described as restrictive-stabilizing ones. The current policy statement is, for the first time since 1990, conceived as the transition from a restrictive-stabilizing economic policy to a stabilizing-development one.

[NARODNA OBRODA] Are you able to cite any specific figures to substantiate your claim?

[Kozlik] While, until now, consideration has always been given to certain unfavorable developments in the macroeconomic indicators—for example, the decline in the gross domestic product [GDP], the rise in the rate of inflation or unemployment, or the decline in investments—the current policy statement envisages favorable developments.

[NARODNA OBRODA] For example?

[Kozlik] We envisage a rise in the GDP of up to 5 percent. At the same time, we want to reduce, in the medium term and gradually, the level of unemployment, which is currently at about 15 percent, to 10 percent and less, and inflation should also not exceed 10 percent, with the proviso that, in future years, in cooperation with the Slovak National Bank, we will keep it within single figures. The aim is also to stabilize and gradually increase the standard of living; this will be related to the development of productivity, however. For example, apart from the aforementioned reduction in unemployment, we want to achieve a gradual reduction in citizens' expenditure on food so that the proportion of this expenditure begins to fall by at least 1 percent per annum from the current 38 percent.

[NARODNA OBRODA] In connection with the figures you have cited and also with the government's other objectives, the opposition is talking about the unreality or extreme optimism of the policy statement....

[Kozlik] I would like to say one thing even though I will, to a certain extent, repeat myself. During the formulation of the 1994 budget, I introduced the issue of so-called zero growth in the GDP—in other words, halting its decline at that time. I was described as...well, let us say, a Walter Mitty. Reality, combined with the economic processes that the then Meciar government initiated, decreed that not only was this zero growth in the GDP achieved, but also that it actually grew by almost 4 percent. It is therefore justified, based on analyses of development so far and of the Slovak economy's production or prospective potential, to set higher aims. That is the first thing. Next, what kind of government would it be if it did not set itself certain aims backed by realistic possibilities? If I were to sum it up, these and the other indicators are not just an expression of our, supported by the aforementioned analyses, ideas for future development, but are also an expression of the certain level of risk this government is willing to take and, thus, not shirk its responsibility for the Slovak Republic's future economic development. After all, the results achieved will, in the end and after a certain period, be assessed not only by parliament, but also by each citizen of this state. Then it will be manifest if we were exaggerated optimists or realists. The formulation of the government's objectives in the policy statement, our analyses, and the Slovak Republic's prospective potential, which the statement respects, support my claim that the aims defined in it are realistic.

[NARODNA OBRODA] In conclusion, let us tap another barrel. You are not only deputy prime minister but also finance minister—that is, the person who called off the start of the preliminary round of coupon privatization. It caused quite a stir. When is the resumption of the coupon privatization process realistic?

[Kozlik] I will not, at this juncture, return to what the previous government claimed—that the coupon privatization process had been perfectly and comprehensively prepared. That was a misleading claim.

Today the situation is that, first of all, we are reassessing the amount of property the government is offering for coupon privatization. The aim of this is to increase categorically this offer to include the lucrative or prosperous enterprises. We are dealing with the issue of the incomplete registration of the enterprises destined for coupon privatization. After all, just under 50 enterprises have been registered so far at the commercial courts, and more than 100 are still awaiting this process. It is necessary to adopt certain measures to protect the small investors—the investment coupon owners. For example, where will the money come from to pay for the "Barnum"-style advertising campaign launched prematurely by the investment funds before the second wave? From future proceeds to the detriment of dividends? We simply want to reach a situation in which the citizens' participation in coupon privatization will be advantageous for them with as few risks as possible.

In my opinion, all of this will take another two to three months. Then we will be able to set a date for the start of the whole process with a clear conscience. I would like to emphasize that I reject the suggestions that we are thinking about quietly doing away with the coupon privatization process. On the contrary, we want to give it a new—for the citizen and state—and more effective dimension.

Defense Minister Supports Cooperation With Russia

AU2701162295 Vienna KURIER in German 27 Jan 95 p 4

[Article by Jana Patsch: "Cooperation With Russia Strengthens Stability in Europe"]

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[FBIS Translated Text] "The Army as the most important pillar of the nation has to be led according to the principle of the homeland. A national education of the soldiers is very important." During a lightning visit to Austria, new Slovak Defense Minister Jan Sitek did not disguise his pointedly national attitude. Sitek belongs to the extreme-right Slovak National Party (SNS), the smaller coalition partner of Prime Minister Vladimir Meciar. One of his first official acts: Slovak was stipulated as the only permitted language in the Army.

In the election campaign, the SNS canvassed for nonalignment and neutrality. For this reason, the 38-year-old engineer also does not see a contradiction between the military agreement with Russia and the desired accession to NATO's Partnership for Peace: "Our cooperation with Russia will strengthen stability in Europe."

Sitek confirmed the planned development of a Slovak militia. Former members of the infantry and the rapid task force of the Army are to be recruited for it, and it is to be assigned to the chief of staff. "It will be employed for the protection of objects and in case of mobilization." However, the Slovak opposition fears that this militia might become a new, uncontrollable guard.

In a talk with Austrian Defense Minister Fasslabend, Sitek also presented wishes to the neighbor: "Further help in the training of officers and the new military chaplains."

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Horn Addresses Socialist Consultation Meeting

LD2801112595 Budapest Kossuth Radio Network in Hungarian 1100 GMT 28 Jan 95

[FBIS Translated Excerpt] We have just received Kata Peli Nagy's report from Siofok on the consultation of the Hungarian Socialist Party's [MSzP] presidium and parliamentary group. [passage omitted]

[Nagy, live or recorded] Here in Siofok, at the two-day joint consultation of the MSzP parliamentary group and presidium, everyone has been expecting a clash between Bekesi and Horn on privatization issues. Whether or not this clash takes place will emerge later on; because in these minutes all we have is the prime minister delivering his speech presumably evaluating the government's first six months. A detailed briefing on the two-day consultation will be given only sometime this evening.

All government members, ministers, and state secretaries are present. All county party chairmen and national executive officials have also been invited.

For the time being, one can only guess at what is going on behind the closed doors. A couple of minutes ago [MSzP Executive Deputy Chairman] Sandor Csintalan reported that in his speech, the prime minister analyzed the country's situation and pointed out that there are both imbalances and contradictions. The government has a big responsibility, because if it does not manage to get over the difficulties, by 1998 the situation could be just as it was when they started.

At 1145, Gyula Horn reached the part of his speech dealing with privatization issues. He continues to believe it was right to reexamine the privatization of HungarHotels.

My information confirms the earlier press opinions to the effect that the prime minister is sticking to his insistence to set up the post of privatization minister.

Prime Minister on Finance Minister's Resignation

LD2901223795 Budapest MTV Television Network in Hungarian 1800 GMT 29 Jan 95

[Studio interview with Prime Minister Gyula Horn by unidentified announcer and correspondent Jozsef Laszlo on 29 January; from the regular Sunday program "The Week"; includes recorded interview with Finance Minister Laszlo Bekesi by unidentified correspondent; place and date not given—recorded]

[FBIS Translated Excerpt] [Announcer] At this weekend's meeting [in Siofok] of the HSP [Hungarian Socialist Party] parliamentary group, Finance Minister resigned. Our studio guest is Gyula Horn. Mr. Prime Minister, what my editor colleague Jozsef Laszlo and I are curious to know first and foremost is whether Laszlo Bekesi's departure might not cause a new coalition crisis. It was precisely his program that, in the words of Ivan Petoe [chairman of coalition junior partner Alliance of Free Democrats, SZDSZ], was one of the basic pillars of the coalition agreement.

[Horn] I don't think this is going to cause any kind of government crisis. It is true that this program was known by the name of Laszlo Bekesi, but this has been the program of the HSP—and we reaffirmed it not just in autumn of the year before last and on several occasions last year.

The other thing I consider to be important is that, when all is said and done, this coalition was not built on ministers, on names, but on a coalition program. So, it is out of the question that if somebody leaves this government, that would cause a crisis either within the coalition or within the government.

[Announcer] The possibility of Bekesi's departure had been talked about for weeks, for months, already. Let us look at the roundup of reports by our staff members. [passage omitted]

[Begin recording] [Unidentified correspondent] In connection with Horn's speech of this weekend, it appears that a kind of bargain is emerging: the government's Socialist members are loyal to their prime minister who, on the other hand, is giving up his earlier ideas of a government reshuffle. Among those likely to depart, names mentioned earlier were [Justice Minister] Pal Vastagh, [Industry and Trade Minister] Laszlo Pal, and [Culture and Education Minister] Gabor Fodor as well. The biggest question, however, has been Bekesi's reaction.

[Bekesi] I think this is a clean affair. It is honorable this way. There are differences of principle, differences of concept, [words indistinct]. There is really no sense—in such a fairly difficult situation—in sweeping these things under the carpet just so there could be the semblance of some kind of unity. I think the time had come for this [resignation].

So, I would not really like to weigh up who should have been the more ready for compromise. Because the distance is so great that probably it would not have been possible. It would not have been possible to really create a compromise capable of functioning. A sham compromise, yes, but, well... [pauses]

[Correspondent] When you came here [to the HSP meeting in Siofok] and you went in to this discussion, did you think that these positions could still be brought closer together?

[Bekesi] I was deeply convinced of what the cardinal points were for which it was at all events necessary to take a stand. First and foremost these were the determining role of stabilization in the economic policy of the next year or two. Second, the creation of harmony between the modernization program and the economic program in such a way that it would not be some kind of alternative taken out of thin air. Third, the adoption and implementation of the privatization strategy contained in the privatization bill that was submitted with compromises, and which would not move in the direction that had in the recent past been taken by the intentions of the government or the prime minister. And last but not least, I still consider that power-sharing in economic policy within a government, even with the introduction of ministers and ministries serving the best objectives, can only weaken the consistent implementation of a government's economic policy.

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I saw examples of this in the previous period. I know what it means if there is a battle between people and centers professing different concepts within a government. I think that in this situation, which really was always difficult—in respect to the tasks. Not the chances but with respect to the tasks—it would not have been really a responsible thing for me to continue to hold this position. [end recording of Bekesi interview; studio interview with Prime Minster Horn continues]

[Announcer] In the previous interview Laszlo Bekesi talked about differences of principle. However, if my information is accurate, there were also personal differences between you. What were these differences of principle?

[Horn] As far as personal differences are concerned, we were able to discuss practically everything. Whether the implementation happened according to our agreement is another matter. As far as differences of principle are concerned, it all depends on how we qualify them.

I think, for example, that the privatization policy has to be based on economic policy considerations too. Unfortunately, this was not the case in the past six months. In the matter of the privatization of the five major strategic companies, hardly anything, or practically nothing, happened as regards their future operation, the extent of the current government's right to intervene, the role of the state, and the already-existing or new laws. All this adds to the well-known fact that the government is badly delayed with the submission of the privatization bill. Several problems of this kind have come up.

Another thing: I am of the view that this country needs an image of the future indeed. It needs the elaboration of a comprehensive program that serves the aim of joining the European Union. The economic policy program is a part of this, and not the other way round. [passage omitted]

[Announcer] Can't we trace back these differences to Bekesi, saying that we do not have enough money for this or that important goal?

[Horn] Look, it is widely known that there is a certain continuous development in the country, even amidst great difficulties. However, the budget's opportunities are very limited. We cannot afford to take steps that do not help growth, even if we have the financial stability. Somehow we have to promote economic growth. This was the dual task we undertook last summer. [passage omitted]

[Announcer] Mr. Prime Minister, with a parliamentary majority of the kind the coalition has, who or what has prevented you from speeding up this process in the past months? Today the government received another adjective. The Fidesz [oppostition party Federation of Young Democrats] called it a government of inability [tehetlenseg].

[Horn] I do not agree with this, because this government has worked a lot. Should I list the reasons, since there are very tough objective reasons? (?It is not a good example), it is not a fortunate thing to form a government in mid-summer. It causes a great loss of time later. Or one can cite the enormous internal and foreign state debts we inherited. Or the management of the industries and regions in crisis. Or the fulfillment of obligations undertaken earlier. Or a number of other things. We, the Finance Ministry and others—had to deal with all this day after day.

But as regards the essence of the question: I think we should have submitted the aforementioned privatization bill by the time we promised: that is, last September. It has been found that it would not be good to privatize on the basis of the old law. The new one has not been adopted yet, and we do not know when it will be passed by the parliament. Thus, an interim situation came about, which causes losses indeed. In the meantime, the most important economic policy priorities of the privatization have not been elaborated. I have to say, self-critically, that it is the government's responsibility.

[Announcer] In light of Bekesi's resignation, will the government submit the privatization bill or wait until the new privatization and finance ministers are appointed?

[Horn] No, naturally we will submit it. We have agreed with Laszlo Bekesi—at his own proposal—that several bills would be put on the parliament's agenda from 30 January onwards. Since it was he who prepared it, he will submit it. He himself proposed that he carry on with his work until 28 January so that there would not be any hitches. The new finance minister will be appointed on 1 March.

[Announcer] A very strange situation has come about. I think—along with my journalist colleagues—that yesterday [28 January] a significant proportion of the Socialist deputies present in Siofok [at the meeting of the parliamentary group of the Hungarian Socialist Party, HSP] received this decision [Bekesi's resignation] with satisfaction. Or, if we look at the reactions in today's press, we can see that the heads of the Christian Democrats, the Smallholders, and the Hungarian Democratic Forum consider this a good, or at least not a bad, step. What can be common between the HSP and the opposition parties in this respect?

[Horn] Yes, there were probably many who were relieved in the ranks of the HSP too. But I would like to say that Laszlo Bekesi is an old comrade in arms of ours, with whom good personal relations have been formed. Presumably they will be maintained in the future too. One has to add, however, that there was also a great deal of regret.

The problem is that Laszlo Bekesi represents his views in a very direct way. Sometimes he is able to give in. Sometimes he is ready to make a compromise. However, these explicit statements and stances do not appeal to everybody. The discussions are well-known. There were already discussions earlier, in the past six months or in the preparation of the coalition agreement. People do not like it when discussions get too acrimonious.

As far as the opposition's reaction is concerned, the opposition criticized very sharply ...

[Announcer, interrupting] Is it not suspicious to you that the opposition is so happy about it?

[Horn] Well, it makes one think. I will be curious to see what attitude the opposition will assume when the next finance

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minister or other members of the government submit proposals similar to those that the government criticized sharply in the past six months.

[Announcer] My colleagues made a compilation in Siofok today. They questioned a few HSP leaders. Let us look at this. [passage omitted consisting of statements by a first unidentified Socialist politician on a lack of proper consideration of the problem by all participants]

[Second unidentified HSP politician] A kind of situation has evolved in which the director and the chief accountant of a company are unable to work together. One of them had to go.

[Third unidentified HSP politician] The economic policy program hallmarked by the name of Bekesi was teamwork. It was prepared after a lengthy debate. The joint presidium and deputy group meeting confirmed yesterday that it would not fundamentally change this program. There will be careful shifts in emphasis within the economic policy. There is a great need for this. I think the most important task is that of acceleraating privatization, primarily by bringing in working capital. This should push everything else into second place.

[Zoltan Gal, parliamentary speaker] The coalition is not tied to persons. I have to add immediately that, naturally, it is not all the same whether those who work together, who have to work together, are able to do so or not. This matter has a significance from this point of view. However, I am of the view that this coalition is based on joint interests and that the coalition partners show adequate responsibility for the country's situation. And it really is true—something we keep repeating, almost like saying prayers automatically—that there is no alternative to the [present] coalition. Coordination talks will be held in the Coalition Coordination Council in the coming days. We will be able to find a solution that is acceptable to both sides.

[Announcer] One of the last reasons for Bekesi's resignation is a plan to establish a privatization ministry. Why is it really necessary to introduce a privatization minister and a ministry that is independent of the Finance Ministry?

[Horn] I must tell you that this question was sharply raised at the time of the negotiations that led to the conclusion of the coalition agreement. I, even back then, was of the view that the entire matter should be directed by a separate ministry. We finally agreed to this. Up until the last half-year there was a view that this was not a good agreement. Privatization should not only be treated from the budget's point of view—how much state revenue is expected from the sale—but from a wide-ranging economic political context, which I mentioned in the introduction.

Everybody should trust me that there is no question of slowing down privatization. Quite the contrary, we would like to speed it up. But we would like to do it in a way that is more well-founded, for the country has reached a phase—we could say that it faces a turning point—where big strategic industries, or at least a significant part of them, are going to be privatized. [passage omitted]

[Announcer] Would, or could, a new ministry solve all our problems?

[Horn] In all events, we need it, because there is an enormous workload—in addition to the work connected with the budget, the foreign currency regulation, banks and insurance companies, let me not list them—and on a finance minister. [passage omitted] I am of the view, that I, in my capacity as prime minister, would not like to interfere in these matters. I would like to work in peace during the day, sure that privatization matters are proceeding well—if it is at all possible—and I would also like to sleep well at night.

[Announcer] You have mentioned that two new ministries should be established.

[Horn] Yes.

[Announcer] At the same time, the Ministry of International Economic Relations was just abolished last autumn. It could have taken over the functions of a ministry of European integration affairs—at least to a certain extent. How will this take place now? [passage omitted]

[Horn] The nature of international economic relations is that this small country needs a minister who is almost permanently abroad; a minister who prepares and concludes agreements, concludes big deals, and other things. It can be disputed whether the merger [of the Ministry of Trade and Industry with the Ministry of International Economic Relations] was a correct step or not. My personal view is—but I do not wish to start new debates about it—that we could have waited with this.

But we have passed this stage. However, it is not important for me now. The main point is that, over next four to five years, we have to create the conditions for joining the EU [European Union].

No doubt the organization [EU] will make a political decision. But it will follow with close attention to see to what extent we can meet requirements set for us. [passage omitted]

This requires extremely extensive, wide-ranging work, which needs a large team of experts—even in an institutionalized form—and on a government level too. This is why I outlined my idea yesterday that a period of at least three to six months is necessary to establish this, to put an overall programme on the table, in cooperation with the EU, because we have concluded an agreement with the EU on its financing. Its framework will be prepared this spring.

[Announcer] Going back to our earlier roundup, Zoltan Gal said, did he not, that this affair does not affect the coalition?. [passage omitted]

Today you spoke on the telephone with Mr. Goencz, president of the Republic. What is the president's opinion about this present affair?

[Horn] I had agreed with the president before his departure [for Davos] that I would telephone him for a conversation. He also called me with his impressions of Davos. [passage omitted]

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He also reaffirmed for me—because I was in the office this morning. I was working, and that is when we talked—that there is still a great deal of confidence vis-a-vis Hungary. However, the international financial institutions expect further tough stabilization measures to be taken. There is no backtracking on this for us either—if I may put it that way. The determination exists. But my impression is that, at the same time, a comprehensive ...[pauses] And I am preparing to sit down shortly, in the coming days, with the participation of Laszlo Bekesi and others, to see what can be done in the interest of the stabilizing the country's economic situation, examining it in a comprehensive manner so that a more serious financial crisis does not not evolve in the coming months.

[Announcer] Obviously, among these others you mentioned is included the new finance minister candidate as well. My question is, whose person are the Socialists taking to the coalition coordination, and is it true that this candidate will be Peter Medgyessy?

[Horn] Well, Peter Medgyessy is one of them. I have not yet spoken to him about this, but there are several others among our intentions, too.

[Announcer] The name of Ernoe Kemenes also came up in the news today.

[Horn] I likewise have not spoken to Ernoe Kemenes. I did not go to Siofok with a scenario. I did not think that Bekesi would, did not expect Laszlo Bekesi to, be resigning. So I did not preoccupy myself with the question of his succession. This country has excellent experts, including excellent financial experts. So, we will find the appropriate person.

[Announcer] At the same time you said in Siofok that the person of the privatization minister—at least the person of the candidate to privatization minister—would be made public in the near future, that you would announce who the candidate is.

[Horn] Naturally, this too we will discuss with the coalition partner. Only I have to say that very often we are led onto a forced path. Because it is not all that simple to chose a person. It does not depend only on him or her. It also depends on us. It depends on the coordination as well. It is not a good thing if these things get out out, leak out, before their time.

[Announcer] And the name of Imre Szokai also [words indistinct] last week?

[Horn] He was also mentioned, yes. He too was mentioned.

[Announcer] And Gyoergy Suranyi? It was also said, yesterday, that he is your number one candidate for chairman of the [Hungarian] National Bank [MNB]. Is this going to change—I wonder—now that Laszlo Bekesi has resigned?

[Horn] For my part, this will not change, as regards Gyoergy Suranyi. I said at yesterday's meeting of the national executive and the parliamentary group that what concerns me in connection with the MNB is the system of demands, the conditions that have been formulated by Gyoergy Suranyi as well. How and in what way does he understand these? After all, there is a particular situation. The prime minister makes a recommendation to the president of the Republic after the candidate has been heard by the relevant committee. Then the president of the Republic appoints for six years a person who is practically totally sovereign. The government has virtually no influence either on his policy or his conduct. So, if I undertake conditions in the name of the government, at the same time I have no means at my disposal to exert an influence on the future MNB chairman.

I have to say that I was very surprised—and it made me ponder a great deal—by what happened, on the part of the MNB, in recent days. The raising of the base rates affects very keenly the situation of the budget, and economic activity as a whole.

And on the other hand, with regard to the letter written by Mr. [Gyoergy] Szapary [deputy chairman of the MNB]—which has been made public—in which he demands further very tough restrictive measures, what I regret is that, in this matter for example, there was no internal coordination with the government or the financial leadership. Yet these are weighty matters. So it is not easy to maintain normal channels of cooperation between the MNB and the appropriate financial organs.

So, that is what lies behind this affair. I have great esteem for Gyoergy Suranyi's professional knowledge and approach. But I would not like us to create, for the next six years, a situation that might lead only to conflicts for the government.

[Announcer] Mr. Prime Minister, thank you for having come into the studio of "The Week".

[Horn] I thank you, too.

Bekesi Resignation May Hamper Economic Program

LD2901221295 Budapest Kossuth Radio Network in Hungarian 2100 GMT 29 Jan 95

[FBIS Translated Text] Tonight the executive of the Alliance of Free Democrats [SZDSZ] held an extraordinary meeting on the current domestic situation. Peter Gyuricza phoned Balint Magyar, a member of the executive.

[Begin recording] [Magyar] The executive has discussed the situation which emerged after the resignation of Finance Minister Laszlo Bekesi. It regards it as regrettable that the HSP could not sort out its differences over the implementation of the government program with a compromise amid the very dire situation of the country's economy.

The executive is of the view that this may create a critical situation for the government too. At the same time, the SZDSZ wants to do everything possible to stabilize the government. We think that it is possible to achieve this if both sides make it clear that they will keep in everything to the joint government program and the coalition agreement.

[Gyuricza] Can these developments have any effect on the cooperation within the coalition? That is, has any doubt arisen in the SZDSZ over the possibility of continuing joint government?

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[Magyar] Laszlo Bekesi is the author of the Bekesi [economic] program. Thus, we are not talking about the departure of just any minister from the government. A minister of a key position is in question. Of course, worries arise as to whether Laszlo Bekesi's departure might not worsen the chances of implementing the so-called Bekesi program, and the joint coalition government program. [end recording]

Socialists Want Economic Policy To Continue

LD2901174395 Budapest Kossuth Radio Network in Hungarian 1400 GMT 29 Jan 95

[FBIS Translated Text] Despite the resignation of Finance Minister Laszlo Bekesi, the parliamentary group and the presidium of the HSP are discussing principles of cooperation between the government and the parliamentary group, following the original schedule. The deputies expect that in spite of the finance minister's departure the strict economic policy represented by him will be continued.

According to first evaluations, Bekesi's resignation has put an end to a long lasting debate between two different personalities.

According to some members of the parliamentary group, his successor should be chosen as soon as possible. Beside Peter Medgyessy, Ernoe Kemenes was also mentioned as a possible candidate.

All this will feature in this evening's TV programme, The Week, whose guest will be Prime Minister Gyula Horn.

Opposition Reacts to Finance Minister's Resignation

LD2901170795 Budapest Kossuth Radio Network in Hungarian 0700 GMT 29 Jan 95

[FBIS Translated Text] The chairman of the Hungarian Democratic Forum [Lajos Fur] has said that if the government's economic policy becomes the same as that of the previous government following the resignation of Laszlo Bekesi, then the finance minister's departure was the right decision, otherwise it was wrong. He added that not knowing the reasons for the resignation, he cannot yet form an opinion.

According to Viktor Orban, the chairman of FIDESZ [Federation of Young Democrats], the financing of the budget stands in the background of Laszlo Bekesi's resignation. Orban is of the view that the finance minister's departure is the culmination of the chaotic governing in the past six months.

The chairman of the Christian Democratic People's Party [Laszlo Surjan] was of the view that Bekesi's economic policy deliberately slowed down economic development, it held back growth. According to Surjan, the driving force of economic growth would be increasing the population's consumption as opposed to reducing purchasing power.

Jozsef Torgyan, the chairman of the Independent Smallholders' Party reckons that the economy will only benefit from Laszlo Bekesi's resignation, because, according to Torgyan, it indicates the failure of strict financial policy, which strangled the economy and made a breakthrough impossible.

Editorial Views Finance Minister's Resignation

AU3001163695 Budapest NEPSZABADSAG in Hungarian 30 Jan 95 p 3

[Editorial by Katalin Bossanyi: "Stalemate"]

[FBIS Translated Text] No good fate awaits the bearer of bad news in Hungary either. In this respect, we are similar to the ancient Greeks. Of course, the opposite is also at hand: Is the news true, or is it true the way it is presented? From the outside, it is very difficult to make sense of the tense professional- personal conflict between the finance minister and the prime minister, a conflict that eventually led to the resignation of Finance Minister Laszlo Bekesi. However, the layman can also feel that an economic policy vacuum has emerged because of these conceptual differences.

It is known about the finance minister that he has been a long- distance runner not only in sports. Therefore, it is hard to imagine that he gives up the fight after the first tougher clash. He has had spectacular successes and even more spectacular failures in the past six months, but the program connected to his name is still in force, at least as of our press deadline. If, nevertheless, he chose to resign, there are more serious reasons behind this decision than what we have known so far. It is possible that he realized that he had miscalculated things, both from the party policy and economic policy viewpoints, and then his departure from the government is indeed justified. Or perhaps he estimated Hungary's situation to be so hopeless and the cabinet so weak and hesitant that all this can hinder the making of genuine order here in the future. Therefore, he probably decided that it is professionally more correct and politically more honest to offer his resignation. However, life should still justify this.

The prime minister's action is similarly two-pronged, and we cannot simplify things by saying that the political responsibility is his one way or the other. If we presume that it is not the well- known power equation behind the instantaneous acceptance of this resignation, namely that one can contradict the prime minister only once: for the first and the last time, then Gyula Horn will have to come up with a more convincing personal and conceptional solution very quickly indeed. In other words, Gyula Horn cannot engage in improvisations now. He must put a minister in the position of top financial officer whose economic policy diagnosis is (also) better accepted by the ruling government party.

At the same time, Gyula Horn must also prove that he is capable of presenting a politician-expert who can describe the events of the lean years ahead of us more convincingly than Bekesi's honest but cold situation anaylsis, by raising more social empathy. Otherwise, Gyula Horn will have to prove factually that he has now sacrificed a government official because, so far, the government's economic policy has been wrong and time has exceeded the Bekesi program: The situation is far from being as bad as presented. In other

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words, there are chances of maintaining the current economic growth, and they want to fill the financial holes of our national economy not only at the expense of those living from wages and salaries.

Moreover, Gyula Horn will also have to be able to convince domestic public opinion and foreign investors that there is no additional economic policy insecurity behind this event. On the contrary: instead of arguing, he seeks new solutions for healing the acute problems of the Hungarian economy, and he actually finds these solutions, and does not only grope in the dark. Life, however, still has to justify this.

Of course, the pugnacious politicians can have confidence in time, but at the moment this can hardly calm us, all the more so because, in this long political mud-wrestling, Bekesi's or Horn's personal conflict has not been the real issue for a long time. Instead, the real issue has been the conceptional debate on what the Socialists can accept and what they cannot accept for the benefit of economic stabilization (even at the expense of a temporary increase in social burdens), a debate clearly recognizable in the background but not presented in time. These ideological doubts that are not free of prestige considerations and of the fear of becoming unpopular are increasingly burdening the declared pragmatism. There are people who indeed feel (social) pangs of conscience. This can answer the question why the government does not function better.

At present, there is an economic policy stalemate in the Hungarian Socialist Party: They declare, but do not carry out their own program. In the meantime, the Alliance of Free Democrats makes it absolutely clear that, although they do not think in terms of persons, they nevertheless continue to regard the Bekesi program adopted in the coalition program as one that can be represented.

Romanian Government's Position on HDUR Viewed

LD2701214395 Budapest MTV Television Network in Hungarian 1830 GMT 27 Jan 95

[FBIS Translated Excerpt] [Announcer] The Romanian Government has confirmed in a communique the position it took last week, according to which it will turn to courts of justice if the HDUR [Hungarian Democratic Union of Romania] declines to dissolve the Council of Local Governments and the Council of Representatives of the Union [SZKT]. [passage omitted]

Our studio guest is Foreign Affairs Spokesman Gabor Szentivanyi. Good evening. What do you think of the latest Romanian Government communique in the light of European norms, for the issue here is the demand for the dissolution of not only the Council of Local Governments, but also the SZKT, the HDUR's main decisionmaking body.

[Szentivanyi] The news is so fresh that I cannot render an official position. However, I think that it is a regrettable development. Unfortunately, this is not for the first time that various extremist Romanian politicians and party leaders, certain members of the Romanian Government, or the Romanian Government itself publish statements aimed against the Hungarian minority and its organization, the HDUR.

Regarding the two concrete bodies, I wish to note that the SZKT has been operating for two years and to date no problem has arisen in connection with it. The national Council of Local Governments is a new structure, but it was also formed in compliance with Romanian laws and European norms.

[Announcer] Can it be a consequence of the fact that the general secretary of the Romanian Government was not received in Budapest at the highest level?

[Szentivanyi] By no means. We have not seen any sign of that. Eventually, Mr. Viorel Hrebenciuc, general secretary of the Romanian Government, evaluated his Hungarian tour as successful. [passage omitted]

[Announcer] There were views, however, which linked the cooling of relations with the fact that the Romanian Government's general secretary was not received at top level. Would not it have been better to cancel this visit?

[Szentivanyi] The level at which a politician is received abroad is usually influenced by two things, the rank or position of the person and the political relations between the two countries. [passage omitted] We are of the opinion that the series of talks provided the necessary basis for the discussion of issues of mutual interest.

Claes Holds Discussions With Goncz in Davos

LD2801130295 Budapest Kossuth Radio Network in Hungarian 1200 GMT 28 Jan 95

[FBIS Translated Text] According to the NATO secretary-general [Willy Claes], the Central European countries have no cause for panic because nobody is threatening them in the region. Willy Claes at the same time admits that the more frequently the Russian president delivers harsh speeches, the harder the central European countries knock on NATO's doors.

The secretary-general said these things after his discussions in Davos with Hungarian President Arpad Goncz in the framework of the world economic forum. It emerged at the discussion that the leader of the North Atlantic alliance would like the East Central European countries to join NATO and the European Union in parallel.

Kovacs Criticizes Croatia's UN Decision

LD2701210495 Belgrade TANJUG in English 1854 GMT 27 Jan 95

["Pool" item]

[FBIS Transcribed Text] Vienna, Jan 27 (TANJUG)—Hungarian Foreign Minister Laszlo Kovacs criticized Friday Croatia's decision to deny hospitality to UNPROFOR [UN Protection Force] as conducive to a war escaltation in former Yugoslavia.

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In the talks with Austrian Vice Chancellor Erhard Busek, Kovacs said Zagreb could not expect to solve the problem of Serb Krajina peacefully if the U.N. peacekeepers were withdrawn, said the statement released by Busek's cabinet.

Croatian President Franjo Tudjman informed U.N. Secretary-General Butros Butros-Ghali on Jan. 12, that Croatia would deny further hospitality to UNPROFOR after March 31 when its six-month mandate would expire.

Butros-Ghali requested that Tudjman had the decision reconsidered, warning him that if the U.N. peacekeepers were to withdraw from Croatia they would be withdrawn also from the neighboring former Yugoslav Republic of Bosnia-Herzegovina.

U.N. peacekeepers were deployed in the territory of Serb Krajina as a buffer between the warring sides pending a negotiated political solution in the spring of 1992, after several months of fierceful fighting. Despite being placed under U.N. protection, Serb Krajina has been the target of four Croatian military offensives which attempted to restore Croatia's authority by force.

Minister Kovacs, who arrived in Austria on a two day visit on Thursday evening, said that he was against exempting Bosnian Muslims from the arms embargo which had been imposed in September 1991, saying that this could escalate war still further.

The United States withdrew from monitoring arms embargo enforcement for Bosnian Muslims at the end of 1994. Republican members with the majority in the U.S. Congress anounced that they would unilaterally exempt Bosnian Muslims from the arms embargo.

Labody: 'Concrete' Results From Hrebenciuc Visit

AU2901171895 Budapest NEPSZABADSAG in Hungarian 27 Jan 95 p 3

["M.L.L."-attributed report: "Hrebenciuc's Talks Did Achieve Results"]

[FBIS Translated Text] Following a working breakfast and closing talks with Csaba Tabajdi, political state secretary at the Prime Minister's Office, Viorel Hrebenciuc, secretary general of the Romanian Government, left Budapest on 26 January. Tabajdi summarized to NEPSZABADSAG the results of the talks in three points: They stated that dialogue has to be continued, and agreed to institutionalize the talks to be held on the situation of the national minorities; the two foreign ministers will sign jointly the Council of Europe's national minority framework agreement; and Hrebenciuc promised that he would personally hold talks with the leaders of the Democratic Union of Hungarians in Romania.

In a brief interview with our correspondent, Titular State Secretary Laszlo Labody, chairman of the Office for Hungarians Beyond the Border, said that a situation that puts the supporters of talks and dialogue into a difficult position on either side can emerge at any time in the two countries' relations. To our question whether Hrebenciuc has proven to be such a person, Labody stressed that it is very significant that the Romanian Government's second man, who, among his many other responsibilities, is also the coordinator of the National Minority Council, was prepared to come to Budapest for the first time and represent the most problematic and complex area of bilateral relations.

If Hrebenciuc had set himself the task of generally improving bilateral relations, Labody continued, then he could have exerted his efforts in the area of economic relations or any other general area of cooperation. However, he undertook to discuss specifically the national minority issue.

In the situation that arose, the visit proved itself because concrete results were achieved, Labody said referring to Tabajdi's opinion. The joint foreign ministerial signing in Strasbourg—as the Slovak side also joined this as a result of the visit by Slovak Prime Minister Meciar—is more than just a gesture. For the moment, we should not call the institutionalized dialogue on national minorities a national minority joint committee, but it carries the possibility of establishing such an organization. The basic treaty and some conceptual issues in connection with this were also discussed [in Budapest], which carries the promise of progress. In addition to this, both sides consider economic cooperation to be of special importance. This amount of concrete results would have been seen as a significant achievement even in a better Romanian domestic political atmosphere.

KDNP Seeks To Attract Apathetic Voters

LD2901191295 Budapest Kossuth Radio Network in Hungarian 1700 GMT 29 Jan 95

[FBIS Translated Excerpt] Gyorgy Giczy has defeated Laszlo Surjan in the election of a new chairman for the Christian Democratic People's Party [KDNP]. The former chairman is one of the five new deputy chairmen besides Miklos Gaspar, Peter Harah, Zsuzsanna Ruzsai, and Miklos Palos. Levente Suekoesd reports from the party's national executive session.

[Suekoesd] In the future the KDNP will first and foremost count on voters who have turned away from politics, Gyorgy Giczy, the party's new chairman, said at a press briefing after the election. [passage omitted]

Executive Chairman Tibor Fuezessy was of the view that the KDNP has to become a serious and strong conservative party which has a well-defined and independent image. One cannot talk about organized cooperation with the Civic Alliance as yet, reckoned both the executive chairman and the chairman. According to Giczy, the chances of a further possible cooperation were harmed by the fact that the MDF [Hungarian Democratic Forum] and the FIDESZ have not involved the KDNP in the coordination talks as yet.

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[Begin Giczy recording] [passage omitted] It is fairly uncertain for the KDNP how it could join this Civic Alliance. So much the more because—as it has already transpired from our report—we want to use our force, energy, and attention first and foremost to strengthen ourselves. [end recording]

[Suekoesd] In the parliament, however, they are striving for cooperation with every opposition party in legislative work, said Tibor Fuezessy. He announced that he would resign his post as head of the parliamentary group.

Back at the time of nominations in the afternoon, Janos Latorcai withdrew his nomination for the post of executive deputy chairman after new Chairman Gyorgy Giczy said that he did not consider close cooperation with him to be possible.

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Walesa May Have Grounds To Dissolve Parliament

LD2901202195 Warsaw TVP Television First Program Network in Polish 1830 GMT 29 Jan 95

[Relayed by TV Polonia Network]

[FBIS Translated Excerpt] Andrzej Zoll, the chairman of the Constitutional Tribunal, has said that the tribunal would not be able to give a ruling whether the personal taxation law was in keeping with the Constitution. President Lech Walesa announced he would lodge another complaint against it tomorrow. According to Minister Lech Falandysz, such a move will give President Lech Walesa grounds for the dissolution of the parliament.

[Maciej Sojka, identified by caption] The president wants to lodge another complaint against the taxation law because it changes the taxation after 1 January and therefore is retroactive and thus, in his view, at variance with the key principles of the rule of law. According to Falandysz, one of the president's closest aides, there is a suspicion that, besides the issue of taxation, the budget is also at variance with the Constitution. That is why the president should refrain from signing it until the Constitutional Tribunal's ruling. [pasge omitted]

It may mean that the budget law will not have the president's signature under it on 4 February. In Minister Falandysz's view, the three-month deadline for the adoption of the budget law will have been broken, which gives the president the right to dissolve the parliament, and this is provided for by the Constitution.

Professor Andrzej Zoll, the chairman of the Constitutional Tribunal, recalled, however, that the tribunal had already given a ruling on this issue at the beginning of January when it said that the law is passed when adopted by the Sejm and not when it is signed by the president. [passage omitted]

The leaders of the government coalition claim that, according to all jof the legal opinions they have, there are no possibilities for the dissolution of the parliament, which would be in keeping with the Constitution.

Kolodko Critical of President

LD2901183495 Warsaw TV Polonia Network in Polish 1600 GMT 29 Jan 95

[FBIS Translated Text] [Announcer] Grzegorz Kolodko, deputy prime minister and finance minister, thinks that the president and his aides are conducting a political war that is harmful to our economy.

[Begin recording] [Unidentified correspondent] On his return from the World Economic Forum in Davos, Deputy Prime Minister Grzegorz Kolodko criticized President Lech Walesa for lodging with the Constitutional Tribunal yet another complaint with regard to the taxation law.

[Kolodko] Today [29 January] I have had a conversation with one of the world's most outstanding economists and finance experts. He was dumbfounded that there was a country where the president questions the amount of taxes to be levied. People around the world simply do not understand anything like this. If such a fact occurs, I can only express my surprise, regret, and deep conviction that it is harmful to the interests of Poland's economy, society, and reputation in the world.

[Correspondent] If because of this the president declines to sign the budget, what will happen...

[Kolodko, interrupting] He will make yet another mistake.

[Correspondent] Do you agree with Minister Falandysz, who claims that the taxation law...

[Kolodko, interrupting] No, I do not agree with Minister Falandysz. Minister Falandysz is meddling in politics, and the observance of law is not his concern, which is regretful.

[Correspondent] Would you like to meet President Walesa once again in the near future to convince him of your position?

[Kolodko] President Walesa, as well as Minister Falandysz and President dlWalesa's other close aides, have already said many times that the issue is not taxation or budget but a political war that is being waged in our country. It is harmful to the interests of the Polish economy. [end recording]

Walesa, Ukrainian President Discuss Economic Links

LD2701213695 Kiev UNIAR in Ukrainian 1650 GMT 27 Jan 95

[FBIS Translated Text] Poland, 27 Jan—Ukrainian President Leonid Kuchma met Polish President Lech Walesa. According to information from Dmytro Tabachnyk, head of the Ukrainian president's administration, Kuchma said that the need for deepening and developing bilateral relations and moving them forward was stressed, from political accords between presidents to the level of relations between entrepreneurs and managers of enterprises—that is, to the field of close economic relations. Second were the problems of European cooperation and the stances of Ukraine and Poland regarding the prospects of the Organization for Security and Cooperation in Europe. The joint Bug Euroregion project was also discussed: This is concrete cooperation between Ukraine's Volyn Oblast and Poland's border voivodships. Ukraine is proposing to include Belarus's border oblasts in this project, too. For his part, Lech Walesa noted: "The key to confidence and a stable Europe is in a free, independent, and stable Ukraine. Therefore, the Polish president stated, at all of my meetings, I emphasize that Ukraine is a very important constituent element in Europe-wide architecture and Europe-wide security."

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Greece Boycotts Auschwitz Over Macedonian Flag

LD2701195395 Warsaw Radio Warszawa Network in Polish 1700 GMT 27 Jan 95

[FBIS Translated Text] Greece blames Poland for the nonparticipation of its minister of foreign affairs in ceremonies commemorating the 50th anniversary of the liberation of Auschwitz concentration camp. A spokesman for the government in Athens, (?Evangelos Venizelos), said the Greek minister of foreign affairs was not sent to Poland because of a decision by the Polish organizers to hoist the the flag of Macedonia, a republic in former Yugoslavia, with which Greece is in dispute about the right to the name and symbols.

Five thousand Greek Jews are among the victims of the Auschwitz concentration camp. The Greek ambassador to Poland paid them homage on behalf of Greece.

No Slight Meant for Kremlin

LD2901161995 Warsaw Radio Warszawa Network in Polish 1500 GMT 29 Jan 95

[FBIS Translated Text] The Polish authorities have rejected the accusations of insulting Ivan Rybkin, the Kremlin representative, during the ceremonies marking the 50th anniversary of the liberation of the Auschwitz-Birkenau Nazi concentration camp. Ivan Rybkin, chairman of the Duma, said that his request to be allowed to speak at the ceremony had been ignored.

Krzysztof Sliwinski, spokesman for the Polish Ministry of Foreign Affairs, has explained that Polish President Lech Walesa and the Speaker of the Israeli parliament, Shevah Weiss, were the only speakers from among the members of state delegations. Lech Walesa spoke as president of the country where the Nazi death camp had been located, and Shevah Weiss represented Israel, as Birkenau was the largest Jewish cemetery in the world.

Sliwinski has also added that a speech by a representative of the Red Army, which liberated Auschwitz, was also planned. However, shortly before the ceremonies the organizers received information that such a representative would not be coming. The Polish side had invited to Auschwitz General Vasiliy Petrenko, the commander of the Soviet troops that had been involved in the fighting in that area at the beginning of 1945.

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Visiting German Minister Meets With Tinca

LD3001100295 Berlin DDP/ADN in German 0939 GMT 30 Jan 95

[FBIS Translated Excerpt] Bucharest (DDP/ADN)—German Defense Minister Volker Ruehe arrived in Bucharest today for a two-day visit to Romania. Ruehe was welcomed With military honors by his Romanian counterpart Gheorghe Tinca. Ruehe and Tinca later met for private talks.

Ruehe will meet with Romanian Foreign Minister Teodor Melescanu and representatives of parliament and the Orthodox Church later today. [passage omitted]

Makes Statement Upon Arrival

AU3001122895 Bucharest Radio Romania Network in Romanian 1100 GMT 30 Jan 95

[Statement by German Defense Minister Volker Ruehe upon arrival at Otopeni airport on 30 January—recorded, in German with superimposed translation into Romanian]

[FBIS Translated Text] Volker Ruehe, minister of national defense of the Federal Republic of Germany, arrived in Bucharest today. Ruehe is paying an official visit to Romania at the invitation of Romanian Defense Minister Gheorghe Tinca.

Upon arrival at Bucharest Otopeni airport, the German minister made a brief press statement recorded by our correspondent Gabriela Langada.

[Begin Ruehe recording] I am pleased with the current visit to Romania. In fact, this is the first visit I am making since the beginning of this year, and that shows how important it is for me to continue the dialogue with Romania.

Last year, we commenced our relations on a military level, and I am certain that the talks I am going to hold with the Romanian defense minister will be beneficial to bilateral cooperation aimed at ensuring the European security structure. [end recording]

The German defense minister is currently holding talks with his Romanian counterpart Gheorghe Tinca. The guest will be received by Foreign Minister Teodor Melescanu and, tomorrow ,by President Ion Iliescu.

After talks to be held at the Parliament Palace with the president of the Senate and the vice president of the Chamber of Deputies, the German defense minister will attend a demonstration of exercises by a mountain corps unit in Predeal.

On this visit to Romania, the German dignitary is accompanied by a large group of media representatives that covers the entire range of the German mass media.

UDMR Actions Said Threat to National Security

AU2701155795 Bucharest ADEVARUL in Romanian 24 Jan 95 p 2

[Article by "R.C.": "Threat to National Security—A Meeting of the Supreme Defense Council Is Requested"]

[FBIS Translated Text] PDSR [Social Democracy Party of Romania] Senator Radu Timofte, chairman of the Senate's Defense Commission said in a statement for our newspaper that "the actions of the UDMR [Democratic Union of Hungarians in Romania] aimed at setting up a council for Hungarian self-determination represents a concrete threat to our national security." In support of this statement, the senator recalls some of the provisions contained in Article 3 of the law on national security, which stipulates that plans and actions aimed at undermining and damaging the "sovereignty, unity, independence, or indivisibility of the Romanian state" constitute threats to national security. These provisions also refer to commencing or establishing organizations or groupings that have the aforementioned goals, as well as joining or supporting these actions in any way.

Radu Timofte believes that "the Romanian Government should not have reached a situation where it takes a stand on this issue, since we have state bodies specialized in the area of information regarding national security." The senator mentioned an institution (the Romanian Intelligence Service) that, last year, "assured us that there is no problem whatsoever in Transylvania and that Hungarian extremism is under control."

Timofte assesses that "this situation has to be examined at the level of the nation's Supreme Defense Council, which, in keeping with its authority, should decide the measures that need to be taken."

Iliescu Disapproval of 'Extremist' Declarations

AU3001124095 Bucharest Radio Romania Network in Romanian 1100 GMT 30 Jan 95

[FBIS Translated Text] At the opening of the news conference held at Cotroceni Palace today, Ambassador Traian Chebeleu, presidency spokesman spokesman read a declaration on behalf of the President Iliescu regarding the extremist positions expressed recently by certain party leaders.

Ambassador Chebeleu said these declarations and actions show political irresponsibility and are disapproved by Iliescu, who addresses an appeal to the ethnic Hungarian population to not let themselves be dragged into actions of a segregationist nature—as well as to all political groups to observe the law—our correspondent Sorin Aman has reported.

Government Issues Communique on UDMR's Actions

AU2701181695 Bucharest Radio Romania Network in Romanian 1400 GMT 27 Jan 95

[FBIS Translated Text] During the meeting it held today, the Romanian Government adopted the following communique on to the recent actions of the UDMR [Democratic Union of Hungarians in Romania]:

The document reads: Romania's government has noticed with deep concern that the UDMR's recent actions, reconfirmed in the UDMR communique issued on 23 January 1995, are part of an obstinate program to achieve ethnic

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autonomy, something that is in flagrant contradiction with Romania's Constitution and the laws in force regarding local public administration, as well as with European norms and standards regarding respect for the rights of people who belong to national minorities. These actions are aimed at arousing tension in domestic political life.

The communique reads: The government appreciates the fact that the major political groups in Romania have stated their positions and that their common denominator represents the recognition of the rights of people belonging to other ethnic minorities and of their own cultural identity while respecting the civic rights and liberties stipulated in Romania's Constitution—and have at the same time rejected claims to territorial self-determination on ethnic grounds.

Also, Romania's government unanimously declares that it does not share excessive viewpoints or affirmations of a discriminatory nature in approaching the issue of minorities—with direct address to the Hungarian minority—regardless of who would adopt such positions.

Romania's government will never agree to exclusive approaches to this issue—which are at variance with the law, the provisions of the Constitution, or European standards on the respective issue and can cause serious prejudices to Romania's internal stability and its foreign relations.

The communique continues: The government reasserts the fact that it rejects any attempt at separatism and segregating society on ethnic criteria, or undermining the sovereignty and territorial integrity of the national unitary Romanian state. The government is not ready to make any concessions to those who seek to violate the Constitution and the country's laws; who endanger the legal order; or who incite to actions, aimed at destabilizing our political life, that harm the interests of the Romanian people and impact the good cohabitation of minorities with the majority population and the assertion of fundamental human rights and freedoms in Romania.

The government is determined to act through all available legal means to defend equally Constitutional order and the complete respect for the rights and duties of citizens stipulated in the country's fundamental law, in keeping with international regulations regarding human rights and with conventions of which Romania has become a part, in the big family of European democracies.

The government reiterates its determination to resort to the law if the UDMR does not reconsider its decisions regarding the organization of the Council of Representatives of the UDMR, presented as a mini-parliament, and of the Council of UDMR Mayors and Councillors.

The communique signed by Prime Minister Nicolae Vacaroiu reads, in conclusion: The Romanian executive proposes not to interfere in the internal problems of any political group, including the UDMR. However, it cannot permit attempts to modify the country's institutional structures from the way they have been established through Romania's Constitution,

PRM Rejects 'Interference,' Asks UDMR Ban

AU2701181995 Bucharest Radio Romania Network in Romanian 1400 GMT 27 Jan 95

[FBIS Translated Text] At the start of today's news conference by the Greater Romania Party [PRM], Reserve Colonel Doctor Ioan Marinescu, vice president of this political group, said that the PRM resolutely protests the statement of the six parliamentary parties of Hungary. This statement claims that the attack against the Democratic Union of Hungarians in Romania [UDMR] endangers the very process of democratization in Romania. The PRM sees this statement as amounting to interference in Romania's domestic affairs.

Emphasizing that, throughout its activity, the UDMR has behaved as a single party for the Hungarian minority—after the pattern of the fascist parties, thus violating European principles and human rights—Marinescu said that the PRM demands that this organization, set up based on ethnic criteria, be banned.

Along another line of thought, Marinescu said the PRM welcomes the government's decision to dismiss and suspend the mayors and city hall councillors who violated the nation's laws. The PRM also asks the executive branch to take firm steps to halt further price increases in basic products and foodstuffs and to organize a system of price control—our correspondent Tudor Stanciu reports.

PUNR's Funar Requests State of Emergency

AU2701205895 Bucharest Radio Romania Network in Romanian 2000 GMT 27 Jan 95

[FBIS Translated Text] We have received by fax the text of a letter addressed to Romanian President Ion Iliescu by Mr. Gheorghe Funar, president of the Romanian National Unity Party [PUNR].

The letter reads: In view of the fact that the Democratic Union of Hungarians in Romania [UDMR] has achieved territorial autonomy on ethnic grounds in many localities of Covasna, Harghita, and Mures Counties, something that flagrantly violates Romania's Constitution and the laws on the local public administration, I ask you to decree a state of emergency in certain localities in this part of Romania on the basis of Article 93 of the country's basic law. Likewise, it is necessary that you convene a special session of the parliament within 48 hours of the introduction of the state of emergency.

The letter reads, further: Romania's government has stated that it is determined to act by all legal means to defend constitutional order and full observation of the rights, freedoms, and duties of the citizens.

The letter addressed to Iliescu by Funar reads, in conclusion: In view of the extremely serious situation created by the UDMR in the country, with the support of the government in Budapest, I take the liberty of suggesting to you, Mr. President, that you address a message to the Romanian people, broadcast by the national television and radio stations.

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PUNR's Ardelean Criticizes Funar Communique

AU2701215395 Bucharest Radio Romania Network in Romanian 2000 GMT 27 Jan 95

[FBIS Translated Text] Tonight, we received by fax a communique from Baia Mare signed by Senator Teodor Ardelean, vice president of the Romanian National Unity Party [PUNR]. This communique refers to the communique issued three days ago under the signature of PUNR President Gheorghe Funar, and stresses that the Funar communique does not reflect the viewpoints of the PUNR members and representatives; consequently, not all ideas included in that communique can be accepted by them.

The communique from Baia Mare reads: In principle, we have publicly and clearly expressed our aversion toward the latest actions of the Democratic Union of Hungarians in Romania [UDMR]—which, by setting up regional self-rule bodies, is seriously violating the provisions of the Constitution—and will continue to do so whenever the UDMR leaders present us with such regrettable occasions.

The communique emphasizes that the PUNR president's latest statements contain several unacceptable elements. To confuse certain UDMR leaders with the entire Hungarian minority, or to extend certain qualifications—which can be applied to Hungarian extremists—to the entire Hungarian people is an erroneous, hasty, and provocative allegation, since it refers not only to Romanian citizens of Hungarian origin but also to citizens of other countries.

The document considers it inadmissible to make insulting references to the history of another nation, even though there may have been tense moments in our past.

The communique received by fax from Baia Mare and signed by Senator Teodor Ardelean says in conclusion: his is all the more relevant now, when the current government—in which the PUNR participates—is making considerable efforts to find the most adequate formulas for political and diplomatic dialogue and understanding in order to place the relations between Romania and Hungary within the framework of European requirements and international law.

Official Denies 'Political Aspect' to Dismissals

AU2701160295 Bucharest ADEVARUL in Romanian 24 Jan 95 p 1

[Article by Aurel Stegarescu: "The Government Has Dismissed Brasov Mayor, 10 Other Mayors, and 17 Local Councillors"]

[FBIS Translated Text] During its Friday 20 January meeting, the government decided to dismiss 11 mayors and 17 members of local councils. The dismissed mayors are: Dumitru Ghica (Rucar, Arges); Romeo Ciobanu (Garleni, Bacau); Ion Simion (Pancesti, Bacau); Adrian Moruzi (Brasov); Stefan-Vasile Epureanu (Sutesti, Braila); Vasile Bologa (Borsa, Maramures); Gheorghe Filipciuc (Sighetu Marmatiei, Maramures); Aurel Rosu (Dulcesti, Neamt); Eduard Mihai Tocaciu (Turnu Magurele, Teleorman); Ion Varzaru (Izlaz, Teleorman); and Radu Florin Tudor (Tirgoviste, Dambovita).

Dumitru Diaconescu, deputy director of the Local Public Administration Department, said that all these mayors have been dismissed at the request of county prefects because they violated or abusively applied Laws No. 69, 18, 50 and others; and as a result of the investigation carried out by the county Chambers of Accounts, which discovered that in most cases financial damage has been caused to the budgets of the respective mayorships.

Also, Diaconescu denied that there could be a political aspect to the current dismissals, noting that the government is preparing a lengthy press release in which the domestic mass media will be informed in detail about the reasons that led to the respective demotions.

For their part, all the demoted mayors share the opinion that their real "guilt" is too minor to justify the dismissal, and most of them intend to attack the government decision in court.

U.S. Interest in Moldovan Independence Noted

AU2801185395 Bucharest EVENIMENTUL ZILEI in Romanian 23 Jan 95 p 1

[Editorial by Ion Cristoiu: "The Americans' Games—Suspect Goodwill Toward Chisinau"]

[FBIS Translated Text] President Bill Clinton invited Moldovan President Mircea Snegur to pay an official visit to the White House on 30 January. As regard U.S. policy toward the countries from the former communist camp, one can speak of a whole arsenal of diplomatic signals. In this respect, an invitation addressed to a head of state to pay a visit to the White House is like a blessing given to the regime headed by the leader in question. The refusal to talk to a head of state from the East means that the Americans have a poor opinion of the domestic situation in the country in question. The U.S. attitude toward a given country in the world is thought to be determined by the way in which democratic values, particularly human rights, are observed in the country in question. Therefore, in the eastern countries, the public at large considers the goodwill shown by a U.S. president toward a former communist country—goodwill expressed by accepting to hold high-level talks—a signal that the Americans highly value that country's level of democracy or market economy.

In this context, President Bill Clinton's gesture to invite Mircea Snegur to pay an official visit to Washington can only come as a surprise. Even at a simple glance, the regime in the Republic of Moldova is far from inspiring the attribute democratic. As shown by a recently adopted law on local elections, Communism is flourishing in the Republic of Moldova. However, like in other former Soviet republics, it is hiding behind a front of democratic appearances. However, it is enough to merely scratch off just a bit of this Potemkin-like facade in order to discover the single party dictatorship, the gross violation of human rights, and the perpetuation of the Soviet-type economy. Therefore, this is the regime that is now receiving the American blessing! And this comes not at just any old time but at the very moment when the democratic opposition embodied by the Christian

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Democratic Popular Front [FPCD] has announced its boycott of the local elections scheduled for next April and the Council of Europe has sent a delegation to see whether the Republic of Moldova deserves to be admitted to the Council.

To the surprise caused in the entire East by this more-than-generous U.S. initiative, one must add the surprise and even bewilderment felt by the Romanians this side of the Prut River. If we compare the two regimes, the one in Romania and the one in the Republic of Moldova, we can immediately note without too much analytic effort that, from the viewpoint of democracy and the market economy, the Bucharest regime is clearly superior to the Chisinau one. In spite of all that, while President Mircea Snegur is being invited with much hullabaloo to the White House, President Ion Iliescu barely enjoyed a hasty handshake with Bill Clinton in a New York hotel. This surprising difference in attitudes raises another question: Does the U.S. Administration not realize that Romania is far ahead of the Republic of Moldova in matters of democracy and a market economy?

If we were to resort only to the surface and purely propagandistic elements of U.S. policy, the answer might be that the Americans are in possession of false information regarding the reality prevailing in the two countries. They have allowed themselves be taken in by the democratic varnish extant beyond the Prut River. However, if we go deeper into U.S. policy, we find that this difference in treatment is perfectly explainable. Democratic values and the observation of human rights have always been pushed into second place when establishing the U.S. attitude toward a given country in the world. The basic consideration remained the geostrategic importance of the nation in question. Whenever a country enters the planetary calculations of the Americans, the U.S. Administration has always been prepared to close its eyes on the domestic situation in the respective country. This truth is fully applicable to the Republic of Moldova.

The Americans have a basic interest in hindering the remaking of the deceased Soviet Union. In this context, they are trying hard to ensure the independence of each of the former republics of the empire, while ignoring the fact that the former Soviet republic has nothing in common with democracy and the market economy. Therefore, Mircea Snegur's invitation to Washington should not be seen as a blessing of the all-prevalent communism in the Republic of Moldova. Rther, it is a signal that the U.S. Administration has a decisive interest in ensuring that the territory beyond the Prut River remains independent.

Marko Says UDMR Has 'Solutions' If Banned

AU2901152995 Bucharest CURIERUL NATIONAL in Romanian 21 Jan 95 p 3

[Article by Dan Ioan Sovar: "The UDMR Agrees With the Idea of a Unitary State, but Not a National One"]

[FBIS Translated Text] During this year's first meeting with representatives of the mass media, UDMR [Democratic Union of Hungarians in Romania] leaders announced the party's view on the recent declarations from and positions adopted by various other political parties on setting up the Council of UDMR Mayors and Town Councillors and implementing concept of autonomy and internal self-rule. UDMR Chairman Bela Marko asserted that "we partially contest Article 1 of the Romanian Constitution—namely its definition of the Romanian state as a national state and as a country having a sole language and culture. We merely agree with its definition as a unitary state. They are mixing up our requests and the stipulations of the Constitution on purpose."

UDMR Executive Chairman Csaba Takacs pointed out that "our party will turn to the Constitutional Court and request juridical guidelines on Article 1, of course, for the benefit of the ethnic Hungarians."

The UDMR leadership expressed its unaltered stance not to withdraw its support from CDR [Democratic Convention of Romania] President Emil Constantinescu, but its final decision will be reached after negotiations with the other CDR member-parties.

"The UDMR is not prepared to issue blank checks to anyone any more," said the Takacs who also referred to the UDMR's relations with the other CDR member-parties, pointing out that "our CDR partners do not really know our situation and cannot precisely name anything in the Constitution that we are allegedly violating. In some cases, their anti-Hungarian position represents political capital in the eyes of their electorate, and thus they keep forgetting about our proposals on observing the rights of ethnic minorities in Romania."

Regarding the possible banning of the UDMR or its exclusion from the CDR, Bela Marko said: "Those who circulate such things do not do so merely by accident, but intend, rather, to manipulate public opinion by creating a negative atmosphere around our party. I do not believe Romania would be the first country to decree such a ban that demonstrates ethnic totalitarianism. Nevertheless, should such a thing happen, the UDMR has solutions."

CDR Censures Ruling Coalition Protocol

AU2901155295 Bucharest ROMANIA LIBERA in Romanian 23 Jan 95 p 3

[Statement by the CDR on the protocol signed by the PDSR, PUNR, the PRM, and the PSM in Bucharest on 20 January]

[FBIS Translated Text] The Democratic Convention of Romania [CDR] feels obliged to call the attention of the entire Romanian nation to the serious consequences of the political act represented by the signing of the protocol on cooperation among the Social Democracy Party of Romania [PDSR], the Romanian National Unity Party [PUNR], the Greater Romania Party [PRM], and the Socialist Party of Labor [PSM]. This pact officially recognizes the participation in government of those political forces that denigrate the December 1989 revolution, openly eulogize the dictatorship, and block economic reform and the democratization process. The association of these reactionary forces to

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political decisionmaking amounts to a negation of all the commitments the PDSR has assumed before the nation and to a defiance of the options of the great majority of the nation's citizens—who, beyond their preferences for one party or another, have spoken out, and continue to speak out, in favor of Romania's economic and political progress.

As far back as the fall of 1992, after the latest elections, the CDR reiterated its readiness to cooperate with the PDSR and any other parties supporting the process of economic and political reform, with one condition: namely, that the national-communist and nostalgic parties, PRM and PSM, not be associated with this coalition. However, this solution was rejected by President Ion Iliescu, whose preference for a "national unity" government aimed at ensuring the association of the reactionary political forces that had supported him in the electoral campaign and in exercising power. The result of this refusal was a minority PDSR government—the Vacaroiu cabinet—supported in Parliament by PUNR, the PRM, and the PSM.

The successive motions of censure presented by the democratic opposition in parliament were designed to draw attention to the political forces supporting the Vacaroiu government and to prove the extent to which this government is undermining its own program of reform by associating with those segments of parliament and the electorate that are most hostile to reform.

In the winter of 1993-94, when the great trade union confederations demanded the acceleration of the reform process through the establishment of a broader coalition without the two national-communist parties, the PRM and the PSM—with which they refused to conduct any kind of dialogue due to the hostile attitude of these two parties to the progress of reform—the CDR suggested to the PDSR that a new parliamentary majority be set up consisting of the PDSR, the CDR, and the Democratic Party (National Salvation Front) [PD(FSN)]. This broad coalition of forces in support of democracy and progress, which could have represented the key lever for accelerating the country's renewal, was again refused by President Iliescu and the PDSR just because the formula would not have allowed them to rule unconditionally.

However, the PDSR has had to pay a price for the refusal to cooperate with the parties supporting the reform process. First, it saw itself forced to share power with the PUNR and now, with the nostalgic PRM and PSM parties—thus having to definitely renounce any pretense of being a party emanating from the December 1989 revolution, as well as any hope of ever being recognized as a social democratic party, since none of these qualifications is compatible with the alliance it has now made official.

Romania has become the only European state in which political forces that have openly declared their fascist-like reactionary options are participating in the government. This new "originality" will undoubtedly be punished by the international community through a halt to investments and the freezing of cooperative relations. It is hard to believe that a government that is officially allied with violently anti-Western parties will make progress in the process of integration into the Euro-Atlantic structures. One can even raise the question of whether the true aim of this political pact might not be the very stopping of this process of integration.

In short, the pact signed by the PDSR with the PRM and the PSM liquidates what is left of the conquests of the December 1989 revolution, since it brings to power again all the people who had exercised power to the nation's despair before the collapse of the dictatorship. Disregarding the disaster caused by that political class, its current representatives will continue to undermine the economic reform and democracy itself, and will further keep the country's population, which they despise, in cold and misery so they can cling to power at all costs. They will continue to isolate Romania by promoting a chauvinistic and anti-Western attitude and will continue to compromise the nation's chances of becoming a respected and prosperous member of the international community.

In view of this danger without precedent in the history of the last five years, the CDR makes the following appeal to all democratic political forces, trade unions, civic associations, and all well-meaning people in this country: Let us pool our forces and not permit Romania's future to be jeopardized and compromised by irresponsible power games. Let us together form a great coalition of reform and use all legal and constitutional means to prevent the destruction of democracy, freedom, and the chances for progress in Romania.

Emil Constantinescu, CDR president
20 January 1995

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Croats, Muslims Discuss Resolving Differences

LD2701200595 Zagreb HTV Television in Serbo-Croatian 1830 GMT 27 Jan 95

[FBIS Translated Text] [Correspondent Sagolj] Many incidents, from Usora—where the Muslim police from Tesanj arrested and beat up the HDZ [Croat Democratic Union] chairman, to Mostar—where many people on both sides have been arrested, are the immediate reason for the tripartite meeting that was held in the Ero Hotel in Mostar today. The meeting was attended by the Croat side, headed by Kresimir Zubak; the Muslim side, headed by Ejup Ganic; and the European administrator of Mostar, Hans Koschnick. The aim of the meeting, which started at midday behind closed doors, was to find solutions and prevent further clashes.

Both political and military delegations of the two nations attended the meeting, with the aim of preventing any further deterioration and possible clashes between the two nations, the president of the federation, Kresimir Zubak, told journalists this evening after the meeting. He said in front of Vice President Ganic that it had been agreed that the arrested civilians and military personnel would be exchanged immediately. It was also agreed that Vice President Ganic should go to the Croat municipality of Brcko- Ravne and see the situation there for himself. After that, he will visit Usora together with President Zubak. An agreement will be signed on all these issues on 30 January and the federation's president and vice president will guarantee the agreement is implemented.

[Begin recording] [Zubak] We believe we will manage to thwart all attempts from outside to provoke a conflict between the Croat and Bosniak-Muslim nation.

[Ganic) The federation is under fire, you know. It has many enemies, but it is a stable project which demands a lot of work, a lot of investment. [end recording]

[Sagolj) For that reason, Vice President Ganic said, we should be among the ordinary people all the time and resolve difficulties such as these that will no doubt recur in the process of implementing the federation.

Izetbegovic Visits Tuzla, Talks With Officers

LD2701223995 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 27 Jan 95

[FBIS Translated Text] [Correspondent] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, began his visit to the Tuzla and Podrinje canton by meeting members of our army's 2nd Corps command. The current military situation in light of the latest cease-fire agreement was the topic that dominated the discussion.

Afterwards President Izetbegovic and representatives of the Tuzla and Podrinje canton had talks on current political issues important not only for this area, but also for the future of Bosnia- Herzegovina.

Talks on these issues were continued during President Izetbegovic's meeting with members of the SDA cantonal committee. In the course of the evening, Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, spoke about the current political situation in our country and Bosnia-Herzegovina's international position at a public debate in the presence of great many citizens of Tuzla.

Dwelling on causes and the time when the aggression against Bosnia-Herzegovina began, President Izetbegovic particularly spoke about the readiness and resolve of our people to resist the Greater Serbian aggression. In that respect, one should view the growing and strengthening of the Bosnia-Herzegovina Army, an army that was born among its people which is able to fight for their freedom. The Serbian and Montenegrin aggression against our country is the latest genocide over the Bosniaks, because they—for the first time in their history—offered resistance, said Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, in conclusion of this address to citizens of Tuzla.

Martic Asks UN To Protect West From Muslims

LD2701225195 Belgrade TANJUG in English 2230 GMT 27 Jan 95

[FBIS Transcribed Text] Belgrade, Jan 27 (TANJUG)—Serb Krajina President Milan Martic Friday sent a letter to U.N. Secretary-General Butros Butros-Ghali, urging him to protect West Bosnia from Sarajevo's Muslim Army.

Martic asked that the Muslim autonomous province of West Bosnia be protected from attacks by the 5th Corps of the Muslim Army of alija Izetbegovic.

The Republic of Serb Krajina provided most of the aid for about 60,000 Muslim refugees from the province following inter-Muslim conflicts and it 'does not deserve that U.N. organs blame and accuse it for the inter-Muslim war in these lands,' Martic said.

The letter, a copy of which was sent to TANJUG, said Izetbegovic was the only party responsible for the inter-Muslim conflict in the former Yugoslav Republic of Bosnia-Herzegovina. Izetbegovic is using military pressure to force West Bosnia Muslims to abandon their good-neighbor policy with Serb Krajina and the Bosnian Serb Republic, and to opt for his 'policy of a Muslim-Serb war to the last man,' Martic said.

Inter-Muslim conflicts broke out in northwestern Bosnia in September 1993 when the local Muslim population, lead by moderate Muslim Fikret Abdic who opposes Izetbegovic's militant policy, proclaimed autonomy and signed peace accords with Serbs and Croats. Izetbegovic's forces seized Abdic's last stronghold, the town of Velika Kladusa, in late August last year, triggering a flood of about 70,000 Muslim refugees. The provincial

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forces fought Izetbegovic's army from October last year and managed to retake almost the entire territory of this Muslim province.

Moscow Sources: Contact Group Again in Difficulty

LD2801203095 Belgrade TANJUG in English 1937 GMT 28 Jan 95

["Pool" item]

[FBIS Transcribed Text] Moscow, Jan 28 (TANJUG)—Unofficial informed sources here said Saturday that the five-state 'Contact Group' for Bosnia was again in difficulties, maybe its worst since it was set up in February 1994.

The sources said that the biggest obstacle to resuming peace talks was the way the Contact Group's plan was being interpreted by the Bosnian warring sides.

The Bosnian Serbs are willing to accept it as a basis for further talks, while the Muslims want it to be accepted in full before negotiating.

Sources close to official circles in Moscow said the Contact Group had not succeeded in bringing these opposed stands closer together, and was itself hardly in unison as to the interpration of future action.

Russia's envoy Aleksandr Zotov left Sarajevo before his contact group colleagues from the United States, Great Britain and France.

The group's recent activities and Zotov's return have gone largely unnoticed in Moscow, without official statements or comments in the media. The reason, according to observers in Moscow, lies not only in domestic troubles caused by the Chechen war, but also in the fact that Moscow simply has nothing to say about the Bosnian conflict at this time.

After the mission to Bosnia of Former U.S. President Jimmy Carter, Russia has officially admitted, albeit with reluctance, that the leading role in Bosnia has been taken over by the United States.

Russian political circles believe that a break of any length in the work of the Contact Group might be highly dangerous, since the current four-month cessation of hostilities is ticking away and might well be over before the negotiation process has been resumed.

Minister Urges UN To Evacuate Bihac Wounded

LD2801205495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Jan 95

[FBIS Translated Text] Hasan Muratovic, minister in the Government of the Republic and Federation of Bosnia-Herzegovina and president of the State Commission for Cooperation with the United Nations, was received in the UNPROFOR [UN Protection Force] HQ in Zagreb today by Yasushi Akashi, the UN secretary general's special envoy for former Yugoslavia.

In their talks, Minister Muratovic insisted on the need to urgently evacuate the wounded from Bihac to hospitals on free territories of the Republic of Bosnia-Herzegovina and to work out details for opening up blue routes. He also asked that newly appointed UNPROFOR officials in Sarajevo start working in a more imaginative way on implementing the agreement on the cessation of hostilities.

'Irreconcilable' Croat, Muslim Interests Seen

LD2901155995 Belgrade TANJUG in English 1308 GMT 29 Jan 95

["Pool" item by Nikola Stanojevic]

[FBIS Transcribed Text] Zagreb, Jan. 29 (TANJUG)—Croatia is increasingly aware of the deteriorating relations in the Muslim- Croat Federation in Bosnia-Herzegovina but is, nevertheless, still trying to help maintain the alliance created at Washington's dictate.

Matters in the Muslim-Croat Federation are far worse than last summer and continue steadily to deteriorate, Deputy Speaker of the Croatian Parliament's Upper House Damir Zoric has said.

The agreement on the Muslim-Croat Federation was signed in March last year under United States patronage but has hardly been translated into practice.

The federation has only a president, a Croat, a vice president, a Muslim, and a cabinet headed by Haris Silajdzic, a Muslim. The exchange of mutual recriminations and conflicts over the division of power, the boundaries of cantons and refugees are practically a daily occurrence.

The disagreements relating to rotation in the highest offices in the federation, including the Muslim side's request that President Kresimir Zubak, a Croat, be replaced by Vice President Ejup Ganic, a Muslim, are only the tip of the iceberg and an excuse for both sides.

Problems in the functioning of the federation are most pronounced in cities, including Mostar and Tuzla.

The situation in the field is as a rule dictated by the side which is in a majority. The regulations of local Muslim or Bosnian Croat military commanders are applied.

Bosnian Croats accuse Muslims of driving them out of areas under Muslim control, and Muslims in turn present figures about a forcible conversion of Muslims into Catholics.

Neither side lets refugees return home, which greatly increases the mutual mistrust.

Federation President Zubak recently said that Herzegovina and Bosnia were 'no less' part of Croatia than Istria, Dalmatia, Zagorje and other regions in Croatia.

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The statement shows that the agreement on the federation was for both sides only something that would given them breathing space.

Muslims were unable to continue fighting Croats because they were fighting a war against Serbs, and Croats because they were under strong international pressure and in a danger of being physically annihilated in Bosnia.

The federation is a dead letter on paper and what is behind it are long-term political interests.

Bosnian Croats want a confederation with Croatia and they are interested in the federation with the Muslims only as a means of uniting into a single state with Croatia.

Muslims view the federation only as a way of creating a unitary state in which they would have dominance. They would like it most if they could renounce the confederation with Croatia but cannot say so openly so as not to place in question the federation.

The interests of the two sides are clearly irreconcilable.

Zagreb's efforts for genuine cooperation between the Bosnian Croats and Muslims within the federation therefore resemble, as cynics say, the attempts of a physician who wants to return to life with an adrenaline injection a patient who had died a day earlier.

Muslim-Croat Clashes Reportedly Continue

LD2901161695 Belgrade TANJUG Domestic Service in Serbo-Croatian 0927 GMT 29 Jan 95

[FBIS Translated Text] Bileca, 29 Jan (TANJUG)—Serb military sources announced today that armed clashes between Muslim forces and the Croatian Defense Council [HVO] continued in the Mostar basin.

Serious infantry clashes began at about 1700 yesterday and lasted until late in the evening. The heaviest Croat-Muslim fighting took place in the area around Kosor, Malo Polje, and the airport, south of Mostar.

Sporadic exchange of fire could be heard there this morning, the Serb command in this part of the front confirmed.

The Croat radio of Herzeg-Bosna reported the clashes in Mostar and its surrounding area, but did not say whether there were any casualties.

The Croat and Muslim sides exchanged altogether 170 prisoners near the Hit department store in Mostar yesterday, adhering to the all-for-all principle.

The local Muslim radio station said, however, that the Croat side did not release all of the imprisoned Muslims. It is believed that about 200 Muslim POW's are still being kept in Croatian prisons, a fact concealed from the public and from representatives of international organizations.

Further Report

LD3001100995 Belgrade TANJUG Domestic Service in Serbo-Croatian 0939 GMT 30 Jan 95

[FBIS Translated Text] Bileca, 30 Jan (TANJUG)—Serb military sources announced today that clashes resumed last night between Muslim and Croat units in Mostar and the surrounding area; occasional shooting can still be heard in the Neretva River valley today.

Last night, after 1800 [1700 GMT] in the Malo Polje and Blagaj region, about 10 km south of Mostar, a large number of powerful explosions were registered; these were most probably shells being fired by the Croat side at positions of the Muslim forces.

Serb military sources announced that fresh Croat and Muslim forces have been arriving in the Mostar Valley since yesterday.

It is estimated that the Croat-Muslim clashes in the Neretva Valley are the most serious in the area of the former Bosnia- Herzegovina since the signing of the Washington agreement on setting up a Muslim-Croat federation.

Muslim Rebels Said To Score 'Major Victory'

LD2901205095 Belgrade TANJUG Domestic Service in Serbo-Croatian 2012 GMT 29 Jan 95

[FBIS Translated Text] Drvar, 29 Jan (TANJUG)—Velkaton Radio of Velika Kladusa tonight reported that units of the People's Defense of the Autonomous Province of Western Bosnia had scored a major victory over the 5th Corps loyal to the Muslim authorities in Sarajevo.

The radio describes this day as "the decisive day in the history of western Bosnia," and claims that the victory of Fikret Abdic's army has left over 100 dead and dozens of wounded and missing fighters among the ranks of the 505th Buzim brigade.

The same source says that this was the outcome of a counter- offensive launched by Fikret Abdic's forces in response to an attempt by Dudakovic's [a government forces commander] soldiers to retake Velika Kladusa. "They wanted to do another 21 August 94 [date of Velika Kladusa's fall to government forces], instead the People's Defense has scored a brilliant victory," Velkaton Radio says.

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Iranian Presidential Envoy Arrives on Visit

LD2901200895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 29 Jan 95

[FBIS Translated Text] Ayatollah Ahmad Jannati, the Iranian leader's special advisor on Bosnia-Herzegovina and member of the ulema for the protection of the constitution of the Islamic Republic of Iran, arrived in Sarajevo this evening. He was welcomed on behalf of his hosts—the Council of Elders of the Islamic Community—by Mustafa Efendija Ceric, the reis-ul-ulema of the Islamic Community of Bosnia-Herzegovina, and on behalf of the Presidency and government by Education, Culture and Sports Minister Enes Karic, the MINA news agency reports.

Although we are at the threshold of Ramadan, I nevertheless decided to visit you out of love for your people and the Republic of Bosnia-Herzegovina, in order to get a first-hand insight into the suffering you are enduring at the hands of the aggressor. The Iranian people have been unselfishly helping and supporting you, and they will continue doing so in future, said Ayatollah Jannati on his arrival in Sarajevo.

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Tudjman Discusses UNPROFOR in Speech

LD2801163695 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 28 Jan 95

[FBIS Translated Text] President of the Republic Franjo Tudjman has received a group of Croatian businessmen at the Presidential Palace. Mira Baric has the report.

[Baric] Last year's political and economic successes at home and abroad provide a sound basis for continuing along the same lines and at full speed this year as well, President Tudjman said and added:

[Begin Tudjman recording] Despite the fact that our decision not to renew UNPROFOR's [UN Protection Force] mandate has aroused fears—strong fears, if you will—in certain international circles that, on the one hand, wish to continue pursuing some old policies in these areas, which either wish to hold the occupied territories as a noose around our neck in an attempt to push us back into some sort of association in the Balkan area or that are afraid, as is mostly the case, that the cancellation of UNPROFOR's mandate might trigger off war, not only with the rebel Serbs, but also between Croatia and Serbia and Yugoslavia, with broader international implications. [sentence as heard]

It has again transpired that our assessment was correct, that it was precisely the cancellation of UNPROFOR's mandate that accelerated the talks on the peaceful reintegration of the occupied territories. You have seen for yourselves what the opening of a single highway means for the economy—a highway where 4,000-5,000 vehicles pass each day, more than 1,000 of them being freight vehicles, buses, and so on. What a saving this is in time, transport expenditures, and the like.

What will the opening of a rail line mean tomorrow? Not only through Okucani, but also international lines from Salonika to western Europe and, the day after tomorrow, the Zagreb-Knin-Split railway line.

The opening of the oil pipeline is not only important to Croatia's economy but also to the central European countries that have been lending us unselfish support in this. Therefore, it has transpired that our judgment that circumstances are such that Serbia would not dare go to war was correct, that this will accelerate the peaceful resolution of the reintegration of the occupied territories into the economic and constitutional-legal system of Croatia.

Of course, we cannot discount the possibility of incidents breaking out. We are prepared for such a possibility. We will know how to respond appropriately to a situation arising from such circumstances.

You are well aware that we have been under tremendous pressure, both from our friends and from neutral countries. All this is because of these fears of an escalation of the war. We have said—I am repeating this to you—not even economic pressure can make us change our mind. Putting off the agreement on the PHARE [Poland-Hungary—Actions for Economic Reconversion] program and the agreement on trade and customs with the European Union and the like, this will not influence our decision. It would be better for us to overcome certain short-term difficulties than to indefinitely postpone resolving the problem of the occupied territories.

It is expected that the Contact Group—international forces—will soon come up with their plan for a political resolution. Naturally, we will be delighted to accept any proposal starting off from the assumption that Croatia's territorial integrity is indisputable and that the problem of the occupied territories—the Serb problem in Croatia—must be resolved within Croatia's constitutional and legal system.

UNPROFOR's mandate will not be renewed, but we will be ready to discuss this with the international community if the peace process is continued, if some observers are deployed on Croatia's borders, or in the disarming of paramilitary formations, which would be welcome in order to wrap this up as soon as possible and as painlessly as possible, for we also wish to express our readiness for cooperation because of the economic problems we are talking about today in Europe and the world. [end recording]

Granic Comments on 'Positive' Side of Z-4 Plan

LD2701151195 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 27 Jan 95

[FBIS Translated Text] In a statement for Croatian radio, Foreign Minister Mate Granic commented on the plan of the Z-4 group [consisting of international mediators trying to find a solution for Croatia's Serb-occupied areas]. Granic said the plan will be presented to President Franjo Tudjman on 30 January, and added:

[Begin Granic recording] On the basis of the working versions we saw, the plan's outline—at least from the versions we have seen—is positive inasmuch as it respects the territorial integrity of the Republic of Croatia. I cannot make a final comment now; we will do so when the president of the republic obtains the plan and we study it. A positive aspect of the plan is that local autonomy is granted only to the 11 municipalities in which the Serbs had a majority before the war, before the aggression against the Republic of Croatia. What we found unacceptable in the plan is the part dealing with the degree of local autonomy and some international control mechanisms, but we will give our final stance when we see and study the plan. In any event, I can say that we are ready to hold talks on the final political solution, which will of course be based on the constitution and the constitutional law and President Tudjman's peace initiative. [end recording]

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Knin Says Krajina Decisive Point in Z-4 Plan

AU2901161995 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 29 Jan 95

[FBIS Translated Text] Members of the Zagreb mini contact group known as Z-4 are expected to hand to Zagreb and Knin tomorrow a peace plan on solutions to the conflict between Croatia and the Republic of Serbian Krajina. This plan, which has been drafted by ambassadors of the United States and Russia, deputy cochairmen of the International Conference of Earlier [prethodan] Yugoslavia, and representatives of the European Union and the United Nations, will not be offered according to the take-it-or-leave-it principle, but as a basis for negotiations for both sides. Since the plan has been interpreted differently and commented upon in public, it will be interesting to hear Knin's principled stand. Correspondent Danko Peric is on the line:

[Begin Peric recording] The contact group's Z-4 plan has in some areas been defined as an alleged peaceful reintegration. As with other similar offers from the world, Knin, however, has said that the only decisive point will be to what extent they respect Krajina statehood, which has recently entered its fifth year. [end recording]

Z-4 Group Hands Tudjman Draft Peace Plan

LD3001110895 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 30 Jan 95

[FBIS Translated Text] In the presidential palace Croatian President Dr. Franjo Tudjman received the ambassadors of the Z-4 group, Leonid Kerestedzhiyants [Russian ambassador], Peter Galbraith, Jean Jacques Gaillard [French ambassador], Geert Ahrens [EU representative], and (Alfred Matakotu Cordellu) [not further identified].

Also present were Hrvoje Sarinic, head of the president's office; Miomir Zuzul, the president's special envoy and ambassador to the UN in Geneva; and Dr. Zeljko Matic, the president's foreign policy adviser.

The draft Z-4 plan for Croatia was handed to the president by the French ambassador in Zagreb, Gaillard, on behalf of the EU, the United States, Russia, and the international Geneva conference.

President Tudjman said Croatia accepted the draft plan and will consider it, bearing in mind its positive parts—the establishment of Croatian sovereignty on the whole territory of the Republic of Croatia, the return of displaced persons, and local self-government for the Serb ethnic community or minority.

In his talks with the ambassadors the president stressed that Croatia supports a peaceful solution on the basis of the Constitution of the Republic of Croatia, the constitutional law, and UN Security Council and General Assembly resolutions; he also said that he favors the normalization of Croat—Serb relations.

Oil Flows to RSK After Pipeline Reopens

LD2701131595 Belgrade TANJUG Domestic Service in Serbo-Croatian 1030 GMT 27 Jan 95

[FBIS Translated Text] Knin, 27 Jan (TANJUG)—This morning at 0630, the first batch of oil arrived at Sisak's refinery through the former Yugoslav oil pipeline that was reopened yesterday.

There are about 120,000 metric tons of oil in the pipeline at the moment, Milivoje Kricka, energy minister of the Republic of Serb Krajina [RSK], has told TANJUG. According to Kricka, the pipeline is ready to supply oil to Lendava and Novi Sad.

The pipeline runs over 130 km of the RSK, including Banija, Kordun, West Slavonia, and West Srem.

According to the agreement reached, the opening of the pipeline itself and the flow of the first quantity of oil has enabled the RSK to receive the first oil shipment—3,000 metric tons—whereas a final agreement on the pipeline and the setting up of a joint company in charge of managing and exploiting it are yet to follow.

In the second phase, Kricka said, while pumping oil to eastern Slavonia, the RSK will be able to process more considerable quantities of oil. An extra 4,000 or 5,000 metric tons a month are expected at that stage.

Although the pipeline has already been put in operation, negotiations are still being conducted by expert teams on setting up a joint trade company. The bone of contention is the company's initial capital, its name, and the place where the company will be registered. Solutions acceptable to both sides are being sought.

When this is resolved, Krajina will provide additional, satisfactory amounts of oil and its products, Kricka said.

Visa Abolition, Extradition Accord With France

LD2701190795 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 27 Jan 95

[FBIS Translated Excerpt] The Croatian Government and the French Government today signed an extradition agreement at the Croatian Interior Ministry. Tihomir Vinkovic reporting.

After signing the agreement, Croatian Interior Minister Ivan Jarnjak said that Croatia has signed the same agreement with around 15 countries. Today's agreement is a condition for abolishing visas between France and Croatia. The citizens of the two countries will now be able to travel unrestricted. This represents continued cooperation between the two governments and ministries, Minister Jarnjak said.

Assistant Foreign Minister Smiljan Simac handed a note to French ambassador in Croatia Jean-Jacque Gaillard, whereby Croatia accepts the French proposal that visas be abolished, and that citizens be allowed to stay in Croatia and France for 3 months without visas. The

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agreement comes into effect on 3 February, Assistant Foreign Minister Smiljan Simac said. [passage omitted]

Iran Said Supplying Aid to Bosnia Via Croatia

95BA0114B Split SLOBODNA DALMACIJA in Serbo-Croatian 12 Jan 95 p 12

[Unattributed summary of Milan CORRIERE DELLA SERA article: "Hezbollah in Bosnia"]

[FBIS Translated Text] *The prominent Italian daily notes that Baker Izetbegovic, the son of the Bosnia-Herzegovina president, was on a secret mission to Tehran, on which occasion they discussed the possibility of a unit from a Lebanese pro-Iranian movement coming to Bosnia.*

Rome—"The Bosnian Muslims are strengthening their military ties with Iran," CORRIERE DELLA SERA reported on Wednesday, citing "Croatian sources," who revealed to that newspaper that on 15 November Baker Izetbegovic, the Bosnian president's son, had been on a secret mission to Tehran. The talks focused on expanding the ayatollahs' military assistance to the Bosnians by sending anti-tank systems, launch pads for antiair missiles, and Stinger or Strijela projectiles.

Furthermore, Izetbegovic Jr. examined the possibility of a visit by a unit from Hezbollah, the Lebanese pro-Iranian movement, which would be added to a contingent of 400 guardians of the Khomeini regime who have already been active in Bosnia for a long time as instructors for the well-known Islamic volunteers in the Third Corps. The Bosnian plan, with which the leaders in Tehran agree completely, is to create an assault force, well-trained and motivated, which would be involved in the "hottest" battlefields and behind Serbian lines.

CORRIERE DELLA SERA furthermore reports that since the Bosnians do not have access to the sea, nor a large airport, "The Iranians are aiming at cooperation with the Croats. Arms and personnel are arriving on cargo planes in Zagreb or on Krk Island, a big center in that illegal trade, and the cargo is often portrayed as 'humanitarian aid.'

"In the past Tehran has never concealed its support for its Muslim brethren. Since they consider aid to Islamic Bosnia a religious obligations, the Khomeinist leaders have confirmed several times that the Iranian strategy does not exclude sending war materiel to the region. Tehran is not interested only in the war in the former Yugoslavia, however. Sources from a Western intelligence service say that at the Iranian Embassy in Croatia, which is headed by Muhamad Javad Asayesh, an official has been working for a long time now with the assignment of recruiting followers and coordinating secret operations in Europe. In the future, those agents are to support extremist groups in attacks against Western countries that are 'enemies of the Islamic revolution,'" CORRIERE DELLA SERA concludes.

The article asserts virtually without reservation that war materiel is going from Iran to Bosnia through Croatia, and that Zagreb is allegedly becoming the place from which the actions of Islamic extremists in Western Europe would be controlled.

Iranian Aid for Bosnian Muslims Arrives

LD2801083995 Tehran IRNA in English 0730 GMT 28 Jan 95

[FBIS Transcribed Text] Zagreb, Jan. 28, IRNA—Iran sent more humanitarian aid to the Muslim people of Bosnia-Herzegovina aboard a plane landed in Zagreb airport Thursday.

Iran's ambassador to Zagreb Mohammad Javad Asayesh-Zarebi said that the supplies including foodstuff, medicine and clothing would be sent to Bosnia-Herzegovina later.

He added that ten planes had so far carried Iran's humanitarian aid to the Muslim Bosnians.

The official said the plane was to fly to Zagreb via Budapest last week but due to bad weather condition in Zagreb and problems created at Budapest airport, it returned to Tehran and flew back to Zagreb after one week delay.

He further remarked that 25 Bosnian Muslims wounded in recent clashes in Tuzla would be transferred to Tehran for treatment on board the same airplane.

Intelligence Change Seen Giving Tudjman Control

AU3001130895 Zagreb GLOBUS in Serbo-Croatian 20 Jan 95 pp 8-9

[Article by Davor Butkovic: "From Now on, Ministers Will Submit Intelligence Reports Directly to Dr. Miroslav Tudjman!"]

[FBIS Translated Text] Croatian authorities have been making preparations for the founding of a new intelligence organization that should unite the activities of all the information services so far, and under the command—or at least direct control—of the president of the Republic.

This conclusion emerges at even a superficial sight of the proposed bill on the Office for National Security [UNS], which the parliament representatives discussed at the parliament session in December.

If the proposal is adopted, all the state services involved in issues of national security will, through the UNS, be centralized in the President's Office.

The UNS was founded in spring 1993, after Josip Manolic, until then president of the Office for the Protection of the Constitutional Order, had to leave, because of political disagreements with President Tudjman, and take the position of chairman of the Chamber of Counties.

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Hrvoje Sarinic, until then the prime minister remembered for the highest inflation in independent Croatia, took his position as head of all the secret services. When Manolic left, the name of the Office for the Protection of the Constitutional Order was changed into Office for National Security, whose head was Sarinic until only a few months ago, when he was replaced by the former state prosecutor Krunislav Olujic.

During the time Sarinic was head of the Office for National Security, the present Croatian intelligence infrastructure was established, and the new act on the UNS will significantly change it, if it is adopted in the form in which it was proposed to the parliament.

The main characteristic of the former organization of Croatian intelligence services was their relative independence, which reduced the possibility of misuse from any center of political power; this is very positive, but, on the other hand, it has encouraged competitive relations among certain services.

At a certain point competition was openly discussed in public, as was the intolerance between the two most important state ministries, the Defense Ministry and the Ministry of Police. In fact, the cause for this alleged conflict was the bad relations between the Security-Intelligence Service [SIS] and the Service for the Protection of the Constitutional Order [SZUP].

When it was founded, the UNS was supposed to coordinate the activities of all the other services involved in the field.

Several months after the UNS was founded, the Croatian Information Service [HIS], headed by the president's son, Dr. Miroslav Tudjman, was also founded.

Allegedly, the HIS was conceived and presented to the public as an institution that was supposed to be involved in information analysis, making assessments, and anticipating the political events important for national security.

Until Now: Subordinated to the Ministries

With the founding of the HIS, the Croatian intelligence network was founded in late 1993, consisting of the UNS as the organization to coordinate the activities and supervising all the other services; the HIS, as the most powerful intelligence network—not only analytic, but also operative; and three services that operated within state ministries, but had to submit reports to the heads of the UNS and the HIS.

Within the Ministry of Interior the intelligence and political- police tasks are carried out by the SZUP, over which Josip Manolic had absolute control while he was head of the Office for the Protection of the Constitutional Order.

Within the Defense Ministry the counterintelligence jobs are done by the SIS.

Within the Foreign Ministry the Seventh Department collects information on foreign countries, analyzes the information, and anticipates important political moves in the future.

The Fifth Administration of the Defense Ministry is directly subordinated to the Chief of Staff, deals with collecting information on the enemy, and is not under the operative control of the UNS and the HIS.

The main characteristic of the former organization of Croatian intelligence infrastructure is the subordination of certain intelligence services to the ministries in charge: The SZUP, the SIS, and the Seventh Department submitted their reports to the heads of the UNS and the SIS, but they were responsible to the ministers of police, defense, and foreign affairs.

In the opinion of the person who talked to GLOBUS, at a time a high official of one of the intelligence services, the Proposed Bill on the Office for National Security aims to end the authority of the three ministries over their intelligence services.

In his opinion, all the intelligence services should be taken out of their home ministries and be put under the direct control of the UNS and the HIS. The reasons for this move are allegedly more of a political than operative nature. The political dimension is particularly prominent in the case of the SZUP, the intelligence service of the Ministry of Interior. The first SZUP chief was a close associate of Josip Manolic, the Herzegovinian Perica Juric. This position was later taken up by Smiljan Reljic, who is from Drnis, and he is still doing the job, although there is frequent talk that he will be going over to diplomacy.

When, in 1990, the SZUP was founded, the Croatian authorities took over between 700 and 800 agents of the former Yugoslav intelligence service. Only a few were suspended, while the others agreed to work for the new authorities. The Croatian Democratic Community thus took over the entire intelligence structure of the Communist authorities as early as in 1990, and based the SZUP on it.

In time, more and more new people joined the SZUP, so a conflict broke out—just like in the army—between the former and the new, "Croatian" intelligence agents. During the past year there were a number of replacements and early retirements in the SZUP, but the SZUP is still not trusted by some of the leading officials.

"The Act on the UNS is in fact an attempt to take away all the important operative functions from the SZUP. The intention is to reduce the SZUP to an organization that would check information and send the result of the tests to the UNS," is what the person we talked to said.

Now the SZUP is organized in several operative centers in the country, to which special section-offices are subordinated. Reports are submitted to these units by residents—permanent agents of the SZUP in individual towns.

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It is important to remark that the people GLOBUS talked to claim that, apart from the SZUP intelligence line, another parallel line was created in the meantime, which is under the control of the HIS and the UNS.

As far as concerns the SIS, the counterintelligence service of the Defense Ministry, often said to be the most powerful intelligence organization in Croatia, it should be noted that, formally, it is allowed to deal only with security problems in the army, and that it cannot operate outside military facilities.

This SIS regime makes any significant abuses impossible.

The SIS chief is colonel Branko Premuzak.

The third intelligence service within the state ministries is the Seventh Department of the Foreign Ministry, the head of which is Miro Medjimorec, who replaced Vice Vukojevic the year before last, but the organization is still being established.

From Now On: Subordinated to the President of the Republic

While the Croatian authorities took over the former intelligence service and created the SZUP within the Ministry of Interior, and while some of the former Communist intelligence agents took part in founding the SIS, the Seventh Department could not develop on the basis of the infrastructure built in the former system.

The Seventh Department should deal with the collection and analysis of information in the countries in which Croatia has consulates or embassies. The service is still being established.

Instead of the relatively independent services within the three state ministries, and two analytic-operative services (namely, the UNS and HIS members have the same operative authorities as the members of the police: for instance, they can make arrests and searches), the new act on the UNS proposes that an integral, umbrella organization be founded.

The proposed bill on the UNS consists of four pages, or 15 articles.

Article 1 says that the UNS is a special state executive body that coordinates, guides, and supervises the activities of the state administration bodies whose activities are connected with carrying out the activities concerning national security.

It is not said anywhere what state administration bodies they are.

Article 2 specifies that the UNS coordinates the activities of the state administration bodies that carry out the activities concerning national security, and that it guides and supervises the activities of information services (counterintelligence and intelligence services).

Article 3 significantly changes the former organization of the Croatian intelligence infrastructure, proposing that three more services be founded within the UNS. One of them, the HIS, has been active for a long time now, and the other two are the Supervision Service (in practice, probably the counterintelligence service that could reduce the present role of the SZUP), and the Headquarters of State Authorities Security as a new institution.

That is, the security of the president of the Republic has lately been dealt with by the First Guards Corps, a special formation of the Ministry of Defense, which is not under the command of the Headquarters of the Croatian Army.

Article 4 of the Act on the UNS says that the head of the UNS is appointed and relieved of his duty by the president of the Republic, and that the head is directly responsible to the president.

This is really no news, since while Josip Manolic was chief of the Office for the Protection of the Constitutional Order, he stated that he was responsible only to the president.

Article 5 of the Act says that both the deputy head of the UNS as well as the head are appointed and relieved of their duty by the president of the Republic.

Articles 6 and 7 are much more interesting and important. Article 6 says that, following the proposal of the head of the UNS, the president of the Republic appoints the heads of certain services in the UNS.

The president thus personally appoints the heads of the main security services in Croatia, without consulting the government or state ministries!

Article 7 talks about the founding of the Staff Committee for the Area of National Security. Its members are the head of the UNS, his deputy, the head of the HIS, and state ministers and heads of the bodies of the state ministries involved with the activities concerning national security. The sessions of the Staff Committee are chaired by the head of the UNS.

This in fact means that the state ministers (Susak, Granic, and Jarnjak) are directly subordinated to the head of the UNS, and that they submit their reports to him!

The most interesting of the remaining articles is Article 12, which says that the UNS should submit reports to the president of the Republic, on a regular basis, while the reports to the parliament Committee for National Security are submitted once a year!

The proposed bill on the UNS has an operative and political dimension.

The people who talked to GLOBUS claimed that this proposal, which excludes the intelligence services of state ministries from intelligence work, could have a bad influence on the country's security, "because the work

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that has been done by several hundred professional agents will be taken over by amateurs!"

This remark primarily relates to the SZUP, whose authorities—if the act on the UNS is adopted—will be significantly reduced.

As far as the political dimension of the act on the UNS is concerned, the most important consequences of its adoption in the present form are discernible already.

Firstly, all the intelligence work is put under the authority of the president of the Republic, that is, the service whose head and deputy head he appoints personally, which indicates even greater concentration of real political power in the President's Office.

Secondly, no one except the president will have any control over the activities of the intelligence services. Until now the activities of some of the services were controlled by the ministries in charge. From now on such services of state ministries will be subordinated to the head of the UNS, who is subordinated only to the president of the Republic!

There can be no discussion of parliamentary supervision of intelligence services, since, according to the proposed bill on the UNS, the UNS head submits a report to the parliamentary Committee for National Security only once a year!

It is important to realize that the relation between the head of the UNS and the head of the HIS is insufficiently defined. The people GLOBUS discussed this with claim that this relation depends upon the political authority of the persons at the head of these two services.

Considering the fact that head of the HIS is Miro Tudjman, and head of the UNS Krunislav Olujic, it is clear who really is head of the Croatian intelligence system at present.

It seems that the only true intention of the act on the UNS is even greater concentration of political and executive power in the hands of the president of the Republic.

If the development of the events in the HDZ is observed, this is completely logical, since the president has not relied on the party for over a year now, but instead strengthened his personal power, with the aid of the people who often do not have too strong a party support (from Valentic to Sarinic)....

Martic on FRY 'Assurances' of Military Aid

AU3001125795 Banja Luka Srpska Televizija in Serbo-Croatian 1700 GMT 26 Jan 95 (tentative)

[interview with Milan Martic, president of the Serb Krajina, RSK, in Croatia, by an unidentified correspondent; place and date not given—recorded]

[FBIS Translated Excerpt] [Correspondent] [Word indistinct] the Croatian leadership has so far only orally threatened aggression against the RSK. Is it going to end there, or what?

[Martic] Well, you see, the policy of the RSK, both of the leadership and the people, is to solve all disputes with Croatia and others peacefully. This is our commitment, this is what we have told all those participating in the negotiations, and this is nothing new. The impartial elements that are directly involved in the negotiations—and here I refer primarily to Owen and Stoltenberg, the cochairmen of the international conference, and Yasushi Akashi, the UN secretary general's envoy—can confirm this. However, when it comes to our sovereignty, which we have won with blood in this four-year war, then there is no question there, as we are absolutely ready to defend that sovereignty.

As for Croatia and their views on the cancellation of the UN Protection Force mandate, I think that this should be viewed from several aspects. First, I think that Tudjman did this with the go- ahead of his sponsors, primarily Germany—and perhaps the United States as well, but I still do not have official confirmation of this—and second, it is because in Croatia itself the internal situation is so destabilized that the only possible way of uniting the opposition and the authorities is to send in a jackboot force against the Serb people in the RSK, that is, to go for the war option. Tudjman did not have any choice but to go for this. Third, and this is very important, the point is to exert fierce pressure on the Security Council over the next 100 days with the help of their sponsors, the world powers; to exert pressure in turn on the FRY, that is Serbia; to recognize Croatia within its AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia] borders, and thus solve the question of the RSK with one stroke, that is, reintegrate Krajina into Croatia. It is also an attempt to force Serbia to stop deliveries of any kind of aid, even humanitarian, and even stop transit through Yugoslavia. It is known that we are geographically separated, as our eastern parts are not linked with our western and southern parts.

However, what pleases me is the fact that our people are absolutely determined to defend to the last this sovereignty, which as I said was won with blood, and this incentive of ours to defend ourselves is much stronger than any threats or weapons, and I am convinced that we will definitely ultimately win our freedom.

[Correspondent] Dr. Radovan Karadzic, president of the Srpska republic, has said that the RSK has its full support in this.

[Martic] Dr. Radovan Karadzic and myself, that is the two leaderships, have enjoyed excellent cooperation since 1990, since 1991, and particularly 1992—when we signed the declaration on military cooperation on 31 October 1992 in Prijedor, which stipulates that any territory—whether of Krajina or the Srpska republic—if attacked, will be considered part of the same territory,

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and we are also linked by this mutual defense. There are no dilemmas there, and we have no intention of hiding this from anyone. If the Srpska republic is in danger, then we send our forces, our army, to help their brothers in the Srpska republic, and vice versa. This has been the case so far, and we have done this on several occasions. I have no doubts that the Srpska republic will be—in case, God forbid, of a new great war—our first ally, one that will help us defend ourselves against the aggressor. Let me stress, we absolutely do not want war. I would like us to solve all of this in a peaceful way. All the facts are on our side, the historic, legal, and actual facts. We can talk with anyone, but if we are in a situation where we need to defend ourselves, then we will defend ourselves with everything we have, and we will not again consult outside advisers about where we will strike. So far, unfortunately, we have had various Kadijevics [former JNA general] and suchlike who protected Zagreb and other cities from being touched, and they did not care for our cities, such as Vukovar and a large number of cities in the Srpska republic that have been destroyed. They are now in our hands, and not in the hands of those who [word indistinct] the other side and not us.

[Correspondent] According to the Vance plan, in the event of Croatian aggression against the RSK, the FRY is duty bound to protect the integrity of Krajina. Is that true?

[Martic] Yes. If the peacekeepers are withdrawn from the Republic of Serbian Krajina as protection forces, the FRY and Serbia are duty bound, according to the Vance plan, to protect the territory and people of the RSK. I have had several contacts over the last few days with the top leaderships of both the FRY and Serbia, and I can say that the people with whom I spoke gave me assurances that they will observe this obligation to the letter. So, if aggression occurs, they will do their duty—to help the people in the RSK to defend themselves against the aggressor.

[Correspondent] [Passage omitted] You have mentioned several times that the Republic of Serbian Krajina is committed to peace. What would Croatia lose if it attempted aggression against the RSK?

[Martic] You see, Croatia—and as I said it has been given the go-ahead to do it, to exert pressure on Serbia, on Yugoslavia: to give up Krajina and recognize Croatia—also has silent support from Germany and other small countries to resolve the Krajina situation in a blitz move, about seven days. If it did so, everything would be solved and Krajina would be returned to the constitutional order of Croatia. If Croatia is militarily defeated, it could lose everything it has. Krajina might then receive international recognition and the chances for eventual unification of all Serb lands would be good. This has been explicitly stated to Croatia, even publicly by U.S. Ambassador to Croatia Galbraith, and many ambassadors, including those of Great Britain and France. However, Croatia is forced into this situation, as I explained a moment ago, because of internal destabilization and because it thinks that such pressure would solve everything. I cannot be 100 percent sure that aggression will occur or not, I am not a prophet, but we have to prepare for this worst of all options. We do not want war.

[Reporter] [Passage omitted on situation in Krajina since elections] What is life like in the RSK, and here I refer primarily to the economy?

[Martic] The RSK has many of the essentials for living a normal life, particularly if peace were to come. We are very rich in agriculture, as we have a large amount of fertile soil, and we have many forests, so we are rich in wood. Livestock is plentiful. If peace were to come, we would have good tourism since we have the most beautiful places in the world: the Plitvice lakes, and we even have our own seaside, the Karinsko Sea [saltwater lake in Croatian Dalmatia], so we have all the preconditions for a normal life should peace arrive. We have metal and textile industries, and we are doing pretty well in that regard. Of course, there are serious problems because most of these companies used to be affiliated with foreign companies for raw materials and so on. Sanctions, too, have not helped. However, we adjust production to a workable level. At the moment we can rely on agriculture and forestry, which are the two industries that can operate. We also have our little Kuwait, the oil industry in Krajina, which is saving our skin at the moment.

[Reporter] In the end, how do you envision the future of Serb lands? Will they unite?

[Martic] I am absolutelt optimistic that the nascent process toward unification cannot be stopped by anyone. The Serbian people have expressed their will in several referendums in the Srpska republic, the RSK, and I am convinced that feelings are the same in Serbia and Montenegro. The people want to live together. No one can stop this will, and it will happen one day. At the moment the international situation is such that obstructions are being created, but I think that this period will not last very long. The desire and will of the people will be fulfilled; we will live in one state with one capital city, one parliament, one government, and one president.

[Reporter] These are also our wishes. Mr. Martic, I would like to thank you for this interview on behalf of Srpska Televizija.

[Martic] Thank you.

Istrian Leader Urges Federalization of Croatia

95BA0104A Split FERAL TRIBUNE in Serbo-Croatian 2 Jan 95 pp 4-5

[Interview with Ivan Pauletta, vice president of the Istrian Democratic Congress, by Heni Erceg; place and date not given: "Croatia Will Be a Federation or Else It Will Not Exit"]

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[FBIS Translated Text] *"Today I am convinced more than ever that a federal Croatia is the only possibility. Furthermore, if a federation is such a specter and such an evil thing, what kind of devil are we then offering to our natural allies, the Bosnians?! I will just mention three European countries with a federal structure: Switzerland, Germany, and Austria—so tell me what is wrong with them!"*

[Erceg] A few days ago it took days to travel to Dalmatia and Istria because of about 30 centimeters of snow. Obviously Croatia's infrastructure is experiencing a collapse—except in Zagreb. In Europe, that would be considered a political issue and not a meteorological one. What would you call that kind of catastrophic attitude toward the Adriatic regions?

[Pauletta] It is obviously a political issue and not a meteorological one. From the first paving of Zagreb's Ilica, however, up until the current investments, with money that was not earned in Zagreb, it has been clear that the goal is the metropolitanization of Croatia, and not the balanced development of its regions. Consequently, it is above all an issue of the development of Croatia.

[Erceg] Croatian workers are mostly on strike, and precisely at the biggest public enterprises. Nevertheless President Tudjman, in his Christmas message, classified them without hesitation as people who were working against the interests of Croatia, and Valentic coolly declared a state of emergency in order to justify the imposition of labor obligations on railroad workers. How long will people possibly endure that?

[Pauletta] You know, it is rude to say it, but people have the kind of authorities that they deserve. How much longer this situation will last depends more on them than it does on the authorities. The actions of the government and the leader are the same as in all centralist states, and everything that is happening is nothing unexpected. Such scenarios are familiar to us.

[Erceg] Is it possible anywhere except in totalitarian states for the state president to make a speech in parliament that is two and a half hours long?

[Pauletta] That speech is symptomatic in many respects, and in length approached Fidel Castro's speeches. This time—thank God—we did not experience an attack upon Istria, even though we expected one, from previous experiences. That is the only exception in this speech. You know, it seems to us in Istria that the nation's current president has never treated Istria as part of his state, except for Brioni and the tangerines.

The Specter of Italy

[Erceg] The state budget for 1995, in spite of resistance from the opposition, was passed, after all like everything else in this Assembly. Where is Istria in this budget?

[Pauletta] I would rather ask where Croatia is in this budget because it still seems that no one is thinking about how one can spend only newly created value, and by no means consume one's own assets, along with a feudal attitude toward the work force. What can even result from the economic activity of 650,000 employees with low efficiency, in a society that has about 800,000 retirees and the same number of welfare cases, in a society that has a strong police force, a strong and expensive army, a need to rebuild, and a basic need for development—a state that must, because of its relations with its surroundings, have a strong, guarded border, an extensive customs service, and a multitude of embassies and numerous consular offices?

In the president's speech, as far as the budget was concerned, and I would also say the survival of this state, he expressed concern about the expensive military equipment. The basic issue, however, is whether Croatia, with its geographic position, its widely separated borders, low economic efficiency, can even survive in surroundings that are hostile to it, regardless of who is to blame for the constant conflicts and latent tensions. Croatia's survival will be determined by its domestic and foreign policy, but of course not this kind of policy. That is a question that no one is asking aloud yet, all from fear of being ranked with antistate elements.

[Erceg] Istria is often accused of regionalism. You, however, have been accused of separatism and insufficient loyalty to Croatia, especially after you publicly came out with the idea of Croatia as a state with a federal structure. Would you say the same thing today?

[Pauletta] Of course; today I am convinced more than ever that it is the only possibility. Perhaps I will paraphrase the awkward statement: Either Croatia will be federal, or it will not exist. Furthermore, if a federation is such a specter and such an evil thing, then what kind of devil are we offering to our natural allies, the Bosnians?! I will just mention three European countries with federal structures: Switzerland, Germany, and Austria, so tell me what is wrong with them.

[Erceg] Articles often appear in the media about the Italian claims to Istria and Dalmatia. Is that a speculation, or a real danger?

[Pauletta] To the extent that I am familiar with the Italian political scene, it is pure speculation. It is a specter being used to manipulate people ever since the former Yugoslavia. When we talk about Istrian desires for a high degree of autonomy, we have never mentioned a merger with any other state, but rather precisely what we have said—a demand for a high degree of autonomy, with the knowledge that it is better to govern yourself than to have others rule you.

[Erceg] You support a federal Croatia, but Tudjman is declaring the confederation of Croatia and Bosnia-Herzegovina to be a fait accompli, without even asking the people.

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[Pauletta] Yes, it is almost a fait accompli, which amazes me, because in the 1990 referendum—although that is not the way the question read—we all consciously agreed that Croatia would be an independent and autonomous state. We never agreed, however, on two existential questions: how that state would be structured—that was never discussed in the Assembly, nor was there a public debate—and the second one is whether Croatia would merge, and with whom it would merge. We in Istria are particularly sensitive to this, since numerous monuments to the national liberation struggle—which, by the way, are being destroyed more and more here as well—mention people who died either for Yugoslavia or for Croatia, but it does not say anywhere that they died for Bosnia-Herzegovina.

[Erceg] The opposition had a united position on Croatia's participation in the war in western Bosnia; only the IDS was against it. Did you make a mistake?

[Pauletta] No, and I wonder whether I should even answer that question, since we know that the mistakes in Croatia's policy toward Bosnia have been big ones—from Tudjman's speech at Siroki Brijeg, when he generously offered the people there from another country Croatian citizenship, without consulting anyone, through the creation of the strange entity Herceg-Bosna, to the flirtation with Fikret Abdic. Those are terrible things for which there is neither a political nor an ethnic justification.

There Can Be No Peace With the HDZ

[Erceg] Will Istria succeed in preserving at least some of its regional public assets in the current privatization process, or will everything pass into the hands of the HDZ [Croatian Democratic Community]?

[Pauletta] Not everything has been transferred, but they are working on taking everything, and the situation is currently terrible. I will tell you the example of the city of Labina, where there are a few unprofitable enterprises that are physically collapsing. We asked the Privatization Fund to give them to the Istrian County to manage. Naturally, we have not yet received a response, although we can assume what it is.

[Erceg] You think it will be negative?

[Pauletta] I doubt that they will let us have unprofitable factories, since after that the question "What about the profitable ones?" will automatically arise.

[Erceg] Do you think that there is any possibility of an agreement with the state authorities over the rule of Istria, or is the conflict between the IDS and the HDZ a permanent one?

[Pauletta] As long as the term "rule" and not "administration" is used, it will not be possible to coordinate the interests of the center and the regions. Structures, at both the state and regional levels, have to be administered, not ruled. As long as things are the way they are today, there can be no reconciliation.

[Erceg] We often hear that the IDS in Istria is like the HDZ in Croatia. Does that have any relationship to the truth?

[Pauletta] It depends which side you look at it from. I myself am often annoyed because of the large number of our members in the municipal and city councils, because I do not think that it is good for democracy. Unfortunately, at this time that is the case, but I believe that it will be regulated in the future, especially after the elections. Well, relative size is one way in which we are like the HDZ. We must not forget, however, that the county does not have any authority, nor do we adopt laws and decisions. Our administration is very modest, because today, in a democracy, all the counties have far less authority than the previous municipalities had. Consequently, although we are numerous, we are not capable of acting effectively, and that is the big difference in comparison with the HDZ.

[Erceg] Are there political forces in Istria that would like to see that region outside Croatia?

[Pauletta] I do not know whether such organized forces exist, but from our frequent public opinion polls, unfortunately, it is apparent that today many more people than four years ago want to see Istria in a different state context.

[Erceg] Have you always been a regionalist?

[Pauletta] Under communism I was not involved in politics. I left the League of Communists in 1966, and as a relatively successful engineer, I thought that I would never go into politics. During the pre-election period, however, we in Istria started to become organized, not along the lines of "campanilismo," but rather a demand for an Istria that would be a developed region with a high degree of autonomy. And I am not giving up on that.

[Erceg] What is your attitude toward the Istrian Serbs?

[Pauletta] The Serbs are not a plague for Istria, since they came a long time ago, some of them centuries ago, and they have coexisted with Istria. They are almost Istrians, and I do not know why they should be viewed any differently than as loyal citizens of Istria, i.e., Croatia.

[Erceg] And how do you view the position of Italians in Istria?

[Pauletta] There are disagreements within the Italian Union itself, but that is an internal matter for them. Nevertheless, I think that the attitude of the Italians in Istria toward the Croatian state, and vice versa, is quite proper.

"Sniffing Out" Fascism

[Erceg] Why have the celebrations of antifascism in Istria been more emphatic than elsewhere?

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[Pauletta] Because we have had strong antifascism not since 1943 or after 1945, but rather since the 1930's, at the time when Mussolini's fascism was strongest. My information indicates that the card-carrying fascists were only 3.88 percent in Italy before the war, i.e., in 1936. If we add to that the fact that these were people employed in the state services—because otherwise they would not have gotten those jobs—then there were very few real, convinced fascists in Istria. We perceived what fascism was, and that is why we are so good at sniffing it out today. Italian fascism emerged, like any fascism after all, from a strong nationalist slant, which had existed in Italy ever since the irredentist calls for liberation from Austrian domination. In that regard, let us not forget that Mussolini was an ardent socialist in his youth. Thus, you see, being a chameleon is not an "invention" of our time.

[Erceg] Are you satisfied with the Assembly's Committee for Commemorating the 50th Anniversary of Antifascism, or do you "sniff" some people there as well?

[Pauletta] There is something very morbid about all of that, since there are people on that committee who advocated—notice, they did not consent, they advocated!—changing the name of the Square of Victims of Fascism in Zagreb, as well as several other squares and streets. Those same people are now supposed to be anti-fascists. I repeat—it is morbid!

[Erceg] What are the chances—if there are any at all—that Croatia will extricate itself from Tudjman's firm embrace?

[Pauletta] Croatia's tragedy is that at this time, in spite of all its capable people, we do not have the critical mass needed for those people to take over Croatia. That is its tragedy.

[Box, p 4]

Breaking Up Istria

[Erceg] Is it possible, or even appropriate at all, for the president of a country to "order" women to bear at least three children in order to improve Croatia's demographic picture, while on the other hand the authorities are persistently keeping silent about the mass departures of young people from Croatia?

[Pauletta] The fact that there are no official data in Croatia about how many people are leaving speaks for itself, since these authorities actually want young people to leave so that regions like Istria and Dalmatia can be physically settled by some other people. Our estimates are that about 30,000 capable young people have left Istria, and that is terrible. As for the president's concern about demographic growth, which goes as far as the proposal that single people and people without children be taxed, nothing like that is known anywhere in the world. Europe as a whole has a negative population growth, but they are not concerned about how many of them there will be, but about how they will live, which is the way it should be here.

[Erceg] Is "humanitarian resettlement" to the region of Istria continuing?

[Pauletta] Yes, Istria is still being settled, and now the unfulfilled promises from the first wave of settlement are being manifested—the houses and land that those people were supposed to get in Istria. Thus, on one hand, immigration to Istria is taking place, while on the other hand an attempt is being made to rule it with the assistance of boards of directors named from the center, and not from Istria itself. And here we come to something that always bothers me, namely that we are seeking from Croatia the same thing that it sought from Yugoslavia. Before independence, which it did not ask for but instead won, Croatia sought financial autonomy and a high degree of personnel autonomy. That is precisely what Istria, and every other region, is lacking at this time.

Independent Serb Party Established in Zagreb

LD2901172295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1540 GMT 29 Jan 95

[FBIS Translated Excerpt] Zagreb, 29 Jan (TANJUG)—The Independent Serb Party [samostalna srpska stranka] was established in Zagreb today. Milan Pupovac was elected the party chairman at the founding assembly of the new political party today.

The party's objective, as Pupovac explained, is to rally Serbs in Croatia and enable them to express their national identity by pursuing "a moderate Serb policy."

The leader of the new party urged creation of conditions to achieve "a national agreement between the majority Croat nation and the minority Serb nation in Croatia" and to provide full equality of the Serbs through the development of democracy.

The document on the setting up of the new party was signed by 120 citizens from all over Croatia. [passage omitted]

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Gligorov Hopes For French Initiative With Greece

BR3001132595 Paris LE FIGARO in French 28 Jan 95 p 2

[Interview with FYROM President Kiro Gligorov by Jean-Claude Galli in Skopje; date not given: "Former Yugoslavia: A Breathless Diplomacy"]

[FBIS Translated Text] [Galli] Most of the Balkan states think that Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] is a political fiction. They think that your country will disappear and fall apart. How can they be resisted?

[Gligorov] The people who talk in that way have designs on a country which has existed for 50 years now... In these four years of war in the former Yugoslavia, Macedonia has succeeded in maintaining its stability and its internal peace: I do not really see why it should not be able to survive now.

[Galli] What are the political appetites of your different neighbors?

[Gligorov] Today, we are recognized by the United Nations. There is no problem with Albania. Bulgaria recognizes our state, but not our people: That is not serious. With Serbia, there is no dispute, and there will be mutual recognition after the war. Finally, with Greece, the problem is rather emotional.

[Galli] The Serbian president recently said that Macedonia has lost its sovereignty before ever obtaining it. What do you say to that?

[Gligorov] For Slobodan Milosevic, the presence of U.S. Blue Helmets in Macedonia is an attack on our sovereignty. To say that our country is a CIA base is ridiculous, it is pure propaganda. Moreover, Milosevic himself has said that he is prepared to recognize our republic once the dispute with the Greeks has been resolved. At present, Athens is Belgrade's only friend in Europe: Serbia does not want to damage its relations with Greece by recognizing us.

[Galli] Do you believe in the Albanian plot exposed by Belgrade which apparently aims to destabilize Macedonia and the "Serbian" region of Kosovo?

[Gligorov] No, absolutely not!

[Galli] Today there is again talk of a federation or confederation of Balkan states. Do you subscribe to this plan?

[Gligorov] The main task now is to end the war, to open the roads, and to restore cooperation among states. The rest is not relevant at present. The Balkan countries must open up to Europe and not close themselves in a new structure. At all events, that is Macedonia's goal.

[Galli] What are the chances of the Russian-Western "peace plan" for Bosnia?

[Gligorov] There cannot be any lasting peace while the international community is endorsing ethnic cleansing and the use of force to change borders. A precedent is being established which will have repercussions beyond Eastern Europe.

[Galli] Do you expect anything from the French term as president of the European Union?

[Gligorov] The time is right for a French initiative which would make it possible to settle the Greek-Macedonian dispute. If the name of Macedonian Republic is accepted by Greece, we are prepared to find an agreement with it, a compromise on all the other questions.

Noncompliant Foreign Banks To Be Closed

AU2701164495 Skopje MIC in English 27 Jan 95

[FBIS Transcribed Text] The Macedonian National Bank has made a decision to liquidate four foreign banks in the country: JIK Banka Beograd—offices in Skopje and Bitola, Invest Banka Beograd—Skopje office, and Karic Banka—Skopje office.

According to the National Bank, these operating units, in line with the legal provisions, had until May 28 last year to bring their activities in coordination with the new law or face closure. In effect, that means that they have until May this year to reregister as branches of foreign banks with an initial deposit of 1 million German marks, in denar equivalent value. According to the controls of the National Bank, it has been determined that not one of these banks have coordinated their work with the decrees of the Law on Banks and Savings Banks, within the foreseen deadline.

Otherwise, at present, Invest Banka—operating unit Skopje has 13,238 foreign currency savings bank books of citizens of the Republic of Macedonia [Former Yugoslav Republic of Macedonia—FYROM]. JIK Banka—operating unit Skopje has deposits of 1 million denars ($25,000), while in JIK Banka—Bitola operating unit, the total foreign currency savings of the citizens reaches 36 million German marks in addition to some 27,000 denar bank clients.

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Federal

Jovanovic Comments on U.S. Bosnia Policy

LD2901164895 Belgrade TANJUG Domestic Service in Serbo-Croatian 1440 GMT 29 Jan 95

[FBIS Translated Text] Kragujevac, 29 Jan (TANJUG)—Yugoslav Foreign Minister Vladislav Jovanovic said today that it was still too early to talk of an about-face in U.S. policies towards Bosnia, although there have been many encouraging signs.

In a statement for Radio Kragujevac, carried by the program 'Sign of the Times,' Jovanovic said that reality has begun contradicting the dogmatic line the U.S. has been pursuing up until now in its exclusive reliance on the data, arguments, and interests of one side.

When such a course proved erroneous—for the balance of forces in the field and facts were pointing in the opposite direction—they obviously began reevaluating their one-sided position, Jovanovic said.

"I said 'began,' which does not necessarily mean that they will continue doing so, although there have been many encouraging signs that they might make swift progress," he added.

The Yugoslav foreign minister believes that much depends on the balance of forces in the United States itself, that is, on relations between the President and Congress.

"It is evident that the executive authority wishes to come up with some kind of a result before Congress becomes constituted as an influential force and starts exerting pressure on militant moves in U.S. policies towards Bosnia-Herzegovina [sentence as received]," Jovanovic said.

According to him, "all this provides a new framework in relation to the earlier situation, enabling the two sides (Serb and Muslim) in Bosnia to converge their views and renew the peace process in concrete terms, meaning that the political negotiations between the interested parties can begin in the presence of international representatives."

Asked about the further role of the Federal Republic of Yugoslavia in this context, Jovanovic replied: "We have been consistent in two things—that we should persevere in the search for the truth about the Yugoslav, that is, Bosnian crisis and that we should strictly adhere to the realm of legality and legitimacy."

"Certain critics at home and abroad have been trying to dissuade us in the name of a pragmatism that deletes and annuls principles and rules, and we have also been persuaded to back off from the situation in the field. However, time has shown that nothing can be accomplished if reality is not acknowledged first, and reality in this case means that the Bosnian Serbs, as well as the Krajina Serbs, are a side which could be a constituent part of the peace process only if its equality with the others is recognized, or if its legitimate demands and interests are equally respected," the Yugoslav foreign minister said.

Ministry Denies Remarks Attributed to Jovanovic

LD3001131295 Belgrade TANJUG in English 1217 GMT 30 Jan 95

[FBIS Transcribed Text] Belgrade, Jan. 30 (TANJUG)—The Yugoslav Foreign Ministry Monday said an Italian daily had misquoted Yugoslav Foreign Minister Vladislav Jovanovic on the former Yugoslav Republic of Croatia.

The Foreign Ministry said Saturday's issue of IL GIORNALE had incorrectly quoted parts of an interview with Jovanovic referring to the former Yugoslav Republic of Croatia and even carried what he had not said.

The Foreign Ministry said that IL GIORNALE had quoted Jovanovic as saying there was 'nothing to show' that the Adriatic peninsula of Istria belonged to Croatia and that 'an international forum engaged on the internal and external borders of what is today called the former Yugoslavia, should show that you (Italians) are right.'

Lilic Criticizes Bosnian Auschwitz Statement

LD2801015095 Belgrade TANJUG in English 2344 GMT 27 Jan 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, Jan. 27 (TANJUG)—Yugoslav President Zoran Lilic said Friday he had asked the participants in the two-day commemorative meeting in Auschwitz-Birkenau to urge peace in the Balkans.

Lilic and the members of the Yugoslav delegation, which included Foreign Minister Vladislav Jovanovic, arrived in Belgrade from Krakow late on Friday evening.

'I had the chance to appeal to all the participants in the commemorative ceremonies to use all their authority, knowledge and abilities for peace finally to come to the Balkans, having primarily in mind that the Balkans are certainly a factor of stability for all of Europe,' Lilic told reporters at Belgrade airport.

The appeal adopted by the participants in the meeting commemorating the 50th anniversary of the liberation of the notorious concentration camp at Auschwitz is in accord with Yugoslavia's wish that peace reign in the former Yugoslavia, he said.

Lilic mentioned an incident which took place during the discussion that preceded the adoption of the appeal.

'Unfortunately, even at such meetings which should be an eternal reminder for the whole world, there are those who try to abuse such a gathering, to abuse even the invitation of the hosts, as the Bosnian Muslim delegation did,' Lilic said.

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Bosnian Muslim delegates tried to take advantage of the adoption of the appeal for peace, cooperation among peoples and cooperation among members of all religions, to spread untruths, saying that Bosnia had been the victim of aggression, Lilic said.

'I am sorry, but I had to misuse the meeting as well in a way, and deny these claims,' Lilic said.

Lilic also said he had had the chance to speak about the Jasenovac concentration camp which had existed in the World War II fascist Croatian state, where hundreds of thousands of Serbs, Jews and Gypsies were exterminated.

Lilic said the delegation was pleased with the fact that many statesmen had praised Yugoslavia's constructive, long-term policy of peace during their meetings.

During the visit, Lilic and the delegation members met with the presidents of Slovakia, Romania, Belarus, Hungary, Ukraine, the Russian delegation head, and other officials.

Serbia

SRS Leader Seselj Released From Prison

LD2801142495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1250 GMT 28 Jan 95

[FBIS Translated Text] Belgrade, 28 Jan (TANJUG)—Vojislav Seselj, the chairman of the Serbian Radical Party [SRS] who served a four-month prison sentence because of incidents he caused in the Federal Assembly, was released from prison this morning.

Obstructing traffic on the streets of Belgrade but without incident, Seselj, accompanied by several hundred supporters, walked from the central prison where he served the sentence to the SRS headquarters where he held a special news conference.

Speaking about internal policy, Seselj said that the SRS was ready to cooperate—on equal terms—with all parliamentary opposition parties of democratic orientation "with a view of restoring democracy in Serbia."

Repeating his accusations against the authorities and Serbian President Slobodan Milosevic, the leader of the Serbian radicals stressed that his party would step up parliamentary and nonparliamentary forms of political struggle and that "it will keep in close touch with the people."

According to Seselj, Croatia's decision not to extend UNPROFOR's [UN Protection Force] mandate was "more dangerous for the Croats than for the Serbs."

Seselj added that he expected fresh pressures from the West to reintegrate the Republic of Serb Krajina [RSK] into Croatia and said that if the UN forces left, the RSK would be capable of defending itself alone.

Electricity Restrictions Will End 30 Jan

AU2901211495 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 29 Jan 95

[FBIS Translated Text] After two weeks of electricity restrictions caused by the catastrophic hydrological situation, here is some pleasant news from the Serbian Electricity Board: The restrictions will end tomorrow. This is what Dusan Jovanovic, general director of the Electricity Board, said exclusively for Dnevnik:

[Begin Jovanovic recording] In fact, we plan to stop the power cuts tonight. All consumers in the republic will have electricity tomorrow. This was, above all, brought about by more favorable hydrological conditions. This improvement has in fact taken place today and we expect it to continue in the coming days. This has created the conditions for us to produce more electricity in our hydroelectric power plants, which is extremely important for supplies. If one adds the output of the thermoelectric power plants and the consumers' efforts to remain within the consumption limits, such as in the last few days, one can expect supplies to be such that power cuts will be avoided in the future. [end recording]

Parties Merge, Elect Leader, Adopt Platform

LD2701192195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1407 GMT 27 Jan 95

[FBIS Translated Excerpt] Belgrade, 27 (TANJUG)—The deputies' club of the Nikola Pasic Serbian Radical Party, with a seat in the Federal Assembly's Chamber of Citizens, and the Radical Party of Serbia today founded the Nikola Pasic Serbian Radical Party [SRS NP].

At a founding assembly in Belgrade's Yugoslavia Hotel, Federal Deputy Jovan Glamocanin was elected president of the party and members adopted the party program and statute.

In his introductory speech, Glamocanin said the new party took on more than 50 percent of members "of the party that was betrayed by Vojislav Seselj." [passage omitted]

Party Officials Resign, Join Democrats

LD2801145195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1223 GMT 28 Jan 95

[FBIS Translated Text] Belgrade, 28 Jan (TANJUG)—Dragoslav Milicic and Mihajlo Markovic, the erstwhile vice chairmen of the Serbian Renewal Movement [SPO], SPO Secretary General Vladimir Gajic, and Branko Vasiljevic, the former chairman of the SPO's Belgrade town committee, have joined the Democratic Party [DS], the DS information service announced today.

The new members of the DS, who resigned from their posts in the SPO and parliament, will be presented their membership cards on Friday, 3 February, at the ceremony to mark the fifth anniversary of the Democratic Party, the statement said.

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Kosovo

Rugova Lauds Albanian-U.S. Ties, Warns of Serbs

AU2801160595 Tirana TVSH Television Network in Albanian 1735 GMT 27 Jan 95

[FBIS Translated Text] Kosovar President Ibrahim Rugova at today's news conference highly praised Albanian-U.S. relations in the Balkans. President Rugova considered the joint peaceful maneuver to be a direct contribution to peace and stability in the region.

Today's news conference focused on concerns over the escalation of the situation and Serbia's actions to colonize Kosova. President Rugova stressed the need to establish intensive contacts with international institutions in order to inform them of the dangerous consequences of these activities. The colonization campaign ignited by the former Yugoslavia is being continued by Serbia, Rugova pointed out.

Rugova informed the correspondents that the Serbian regime this week reiterated its threats to bring 100,000 Serbs to Kosova, thus threatening that these activities will be realized with the help of the army. Repression has also continued with an accentuated concentration in the communes of Pudujeve, Skenderaj, and Vushtrri.

President Rugova called attention to a form of abuse in that of easing the international sanctions against Serbia, which through the Tivar-Bari ferryboat line, is emptying Kosova of Albanians. President Rugova demanded from the Italian authorities not to allow this kind of abuse on this line and asked European governments to secure compensations for the eventual deportation of Albanians through Kosova's state institutions.

Dr. Rugova said that Kosova was the focus of international institutions this week as well. Rugova considered of special importance the demonstration that is to be organized in Washington and New York today by Amnesty International against repression and the violation of political and human freedoms of Albanians of Kosova in support of Kosova and peoples who are against the use of violence.

President Rugova greeted the initiative of the Pax Christi humanitarian organization to hold an international conference against violence in Kosova and the demand by European Parliament Deputy Catherine Lalumiere, as well as the latest pronouncement by U.S. Secretary of State Warren Christopher against the spread of war to Kosova, which is his commitment to defend Kosova's integrity.

At the news conference, President Rugova repeated that the constitution of Kosovo's parliament has not been completed in order to avoid a possible conflict. He considered positive the current demands on this topic. Dr. Rugova said that until parliament is constituted, its legitimacy will not be realized through other parliamentary commissions.

At the correspondents' request, Rugova responded that the statement of political parties of Albanians in the former Yugoslavia is obligatory for all those who signed it. Rugova also stressed the need to activate and strengthen the Coordinating Council of Albanian Political Parties in the former Yugoslavia.

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